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# **Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities**

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**Chair**

**Ms. Raymonde Folco**

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## Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities

Thursday, November 25, 2004

•(1115)

[*Translation*]

**The Chair (Ms. Raymonde Folco (Laval—Les Îles, Lib.)):** This is the ninth meeting of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities. On today's agenda, pursuant to our Order of Reference of Thursday, October 14, 2004, is consideration of Bill C-5, An Act to provide financial assistance for post-secondary education savings.

Before we begin our clause-by-clause study, I do want to note that we have received a number of proposed amendments from the various parties. Would the parties present like to table any amendments other than the ones sent to the Clerk? There are no further amendments then? Thank you.

At this time, I would like to read an excerpt on the rules and practices of the House of Commons. I will go slowly for the interpreters' sake. According to the rules and practices of the House of Commons, most amendments to a bill are brought in at committee stage. While additional amendments may always be tabled at report stage, more restrictions apply when that is the case.

On November 15, 2004, Speaker Milliken explained to the House how this works and I quote:

...the main opportunity for amending a bill is in committee stage and not later at report stage in the House.

Report stage exists as an opportunity for the House to examine a committee's work on a bill. If report stage either duplicates or replaces committee stage, then its original purpose is lost and the valuable time of the House is wasted.

As a general rule, the only amendments that can be tabled at report stage are those which call into question or amend an amendment adopted at committee stage, make correlative amendments to the bill further to an amendment adopted in committee, or repeal a clause of the bill. If a Member tables at report stage an amendment that could have been presented in committee stage, the Speaker of the House will not select that amendment to be the subject of a debate or of a ruling in the House.

For this reason, the work we are doing here is extremely important. We must make every effort to consider all possible amendments to the bill here in committee stage.

Having read to you the statement by the Speaker of the House of Commons, I believe we are now ready to proceed with our clause-by-clause study of the bill.

Regarding clause 1, that is the short title of the bill, I propose that we wait until our study is complete to revise the title, if necessary.

(Consideration of clause 1 deferred)

**The Chair:** Today, we will hear from the following witnesses: Mr. Christian Beaulieu, Counsel and Team Leader with the Justice Department, representing the Department of Human Resources and Skills Development; from the Learning and Literacy Directorate of Human Resources and Skills Development, Ms. Barb Schwartz, Senior Policy Analyst, and Ms. Lenore Burton, Director General.

[*English*]

Appearing equally is the Honourable Peter Adams, Parliamentary Secretary to the Minister of Human Resources and Skills Development.

We will postpone our discussion on clause 1. We'll discuss it at the end, after the totality of the clauses.

(On clause 2—*Definitions*)

**The Chair:** Mr. Adams, do you wish to address the members, as parliamentary secretary?

**Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development):** Madam Chair, I am delighted to be here. I thank the committee for its work on this bill, and I thank the members who submitted their amendments in such a timely fashion.

Thank you.

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

(Clause 2 agreed to)

**The Chair:** We'll move on to clause 3—

**Mr. Paul Forseth (New Westminster—Coquitlam, CPC):** On a point of order, Madam Chair, I am concerned about how we proceed. It might be better to... One amendment might have consequences for another, but when we've already passed it, that makes it difficult. Often it's helpful to go through the bill, look at areas we may deal with, and then go back. Certain clauses might...

•(1120)

**The Chair:** There might be consequences for others.

**Mr. Paul Forseth:** Right. We may have a discussion first, and if it's moved at this stage, it can't be moved later, at report stage.

This is just to avoid us getting into a tangle, to not move and carry every clause in sequence but to kind of go through the bill first and then see where we're at, see what the problem ones are, dispose of them, and then go back. That way we don't box ourselves into a difficulty.

It's just a matter of procedure.

**The Chair:** Absolutely, Mr. Forseth, and this is something I have discussed. I did think of doing that.

I would suggest that we do go through the clauses systematically. If we find that some of the amendments are likely to have consequences for anything else, we can go back at that time and review those articles.

Would that be acceptable to you?

**Mr. Paul Forseth:** But if we've actually passed a clause, does the committee have the power to "un-pass" a clause? I don't think we can do that.

**The Chair:** We can stand them rather than take a vote on the amendment, and then take a decision at the very end, once we've gone through all the clauses.

**Mr. Paul Forseth:** I guess that's what I was saying, to kind of go through the bill clause by clause without necessarily moving and passing each one.

**The Chair:** Exactly.

Mr. Adams.

**Hon. Peter Adams:** Madam Chair, that would be quite acceptable to us. I think the point is well taken. When we get to an amendment, then let's leave it stand; we're quite willing to agree. We can come back to the amendment.

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

I would suggest that the party who is presenting the amendment can speak to the amendment. We will not vote on it; we'll pass on it and move to the next clause that has no amendment. We'll vote on that one, and keep going. At the very end, we can systematically vote on the amendments that have been suggested by the parties.

Would that be satisfactory to you, Mr. Forseth?

**Mr. Paul Forseth:** To do the amendments at the end?

**The Chair:** At the first going through, we're discussing them. We will not vote on them, we will discuss them, just in case the amendment has consequences for another clause.

So we will vote on it at the very end. This is just a way of making sure that, say, amendment 1 has no consequences for clause 4, which either preceded it or comes up later.

It's a technical matter.

**Mr. Paul Forseth:** This is why I felt we should go through sequentially—have discussions where there are amendments and then get advice on whether any of those amendments do have other consequences. That's why I was hoping that we would first deal with the contentious issues, and the ones that have debate, in a sequential way. Then we can just bang, bang, bang—go through every clause.

**The Chair:** We could do that, if you wish.

Mr. Van Loan.

**Mr. Peter Van Loan (York—Simcoe, CPC):** I would think you'd have to wrestle with the amendments first, or at least that's my understanding of the procedure.

**The Chair:** That's fine with me.

Is the committee in agreement? We'll first look at the clauses that carry an amendment from the parties, and then once these have been carried, or not, we will go back to the very beginning and go through the rest of the clauses in the bill.

Is that acceptable to the members?

**Some hon. members:** Agreed.

**The Chair:** I will go now to new clause 3.1. This amendment comes from the Bloc Québécois.

[*Translation*]

Do you wish to comment on this amendment, Mr. Boire?

**Mr. Alain Boire (Beauharnois—Salaberry, BQ):** The Bloc Québécois would like to add a clause 3.1

Do you want me to read it to the committee?

**The Chair:** No. You cannot read it, but you can state your reasons for tabling this amendment.

**Mr. Alain Boire:** Fine then. The Bloc would like a clause 3.1 to be added to the bill to ensure that the benefits of a good education are highly promoted and to make parents aware of the bill's existence, the aim being to avoid having to bring in a second Guaranteed Income Supplement, something from which all eligible persons were not able to benefit.

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

Are there any further comments?

*M. Adams.*

[*English*]

**Hon. Peter Adams:** Madam Chair, we have no objection to this amendment.

[*Translation*]

**The Chair:** Thank you.

*M. Forseth.*

• (1125)

[*English*]

**Mr. Paul Forseth:** I would like some legal advice. If this does then place an onus burden on the government to make it known, we do have the current problem that if thousands of seniors across the country were not properly made known of widows benefits, for example, by government officials, when the government finally does accept the person, they say they'll only go back 11 months.

So in that situation, this might provide some further onus on the government to be liable, because they didn't carry out their duty according to the statute. Obviously there's an informational or kind of mandate purpose, but what does it do in terms of legal liability for failure to live up to your fiduciary responsibility?

[Translation]

**The Chair:** Before I turn the floor over to our witnesses, I know that Ms. McDonough has a comment. Then it will be the witnesses' turn to respond.

[English]

Please go ahead, Madam McDonough.

**Ms. Alexa McDonough (Halifax, NDP):** As I understand the amendment that's being proposed, it completely fails to acknowledge what has been the overwhelming position put forward by witness after witness after witness, that the bill is fundamentally flawed, that it is ill-conceived in terms of even its own stated mission. It's to deal with the problem of educational access and affordability for the low- and modest-income family, and yet the benefits of this legislation accrue most to wealthy families. It seems to me the amendment is also flawed, because letting people know about this doesn't solve the fundamental problems with the bill itself.

I would have to say that I think taking this fundamentally flawed bill and saying let's do a better job of letting people know about it still doesn't deal with its most grotesque inadequacy, which is that the benefits will accrue more to have than to have-not families, and therefore will do nothing about access for those who most need it.

**The Chair:** Mr. Adams, you wish to react?

**Hon. Peter Adams:** Yes, Madam Chair, if I could.

As I said, we accept the amendment, and we do so dealing with Paul Forseth's point. As members will recall, in the briefings on the bill, part of the initial expenditures of this bill are in fact for advertising. We consider that a very important purpose, by the way, not only so that people take up the bond but also so that a wide range of people, including such agencies as children's aid, become familiar with this idea.

We think this gives point to it, and we don't think it gives any additional liability to the government than the existing mechanisms we have in place for doing that.

**The Chair:** Thank you.

Any more discussion on this?

Mr. Van Loan.

**Mr. Peter Van Loan:** I don't have a strong feeling on it, but I do share some of the concerns of my colleague Mr. Forseth about the obligatory nature of it.

I'm wondering if Monsieur Boire would be content with something that said the minister "may" take measures necessary to carry out the purposes; in French,

[Translation]

"le ministre peut prendre des mesures nécessaires".

**The Chair:** Any comments, Mr. Boire, about Mr. Van Loan's suggestion?

**Mr. Alain Boire:** Obviously, if the clause reads "peut prendre", the notion of obligation disappears and this becomes a second kind of Guaranteed Income Supplement. I think it's important to keep the word "doit".

**The Chair:** Ms. Gagnon.

**Ms. Christiane Gagnon (Québec, BQ):** I'd like to add to what Mr. Boire and Mr. Forseth said.

If indeed we had agreed to this type of measure in the case of the GIS, perhaps fewer people would have found themselves ineligible and the measure might have been more equitable and attained the objective sought. However, if we do vote in favour of this amendment, it doesn't change the fact that we need to make some adjustments, in so far as the GIS is concerned.

I think this served as a valuable lesson to us to ensure that when a program is brought in, especially a program for the most needy families, it's important to be far more vigilant about getting the information out to people.

What Mr. Forseth said is true, but the inclusion of this provision forces the government to demonstrate the will to genuinely promote this program.

• (1130)

**The Chair:** Do committee members wish to continue this discussion?

Mr. Van Loan.

[English]

**Mr. Peter Van Loan:** I'll take one more try.

In French it doesn't seem as dramatic, *mais en anglais, la phrase* "any measures that are necessary" is quite dramatic.

**The Chair:** What would you suggest instead?

**Mr. Peter Van Loan:** Even if we keep the "shall", the "doit"... "the minister shall take measures necessary".

**The Chair:** Take out the "any".

[Translation]

If I understand correctly, Mr. Boire, the French version would remain exactly the same.

[English]

Is that right, Mr. Van Loan?

[Translation]

The first words of the amendment, in the French version, would be: "Le ministre doit prendre les mesures nécessaires...", while the English version would read:

[English]

"The minister shall take measures that are necessary".

**Mr. Peter Van Loan:** Ensures...measures necessary.

**The Chair:** Monsieur Boire.

Yes, measures necessary. The translation...it's nice to see for once that the translation from French to English isn't as good. This is something we suffer from so often.

[Translation]

Is that acceptable to you, Mr. Boire? It represents a change in the translation, since the French text appears first.

**Mr. Alain Boire:** Precisely. I have no objections. It's correct.

[English]

**The Chair:** Mr. Forseth, do you wish to say something?

**Mr. Paul Forseth:** Could you read the new English version?

**The Chair:** The French text stays as is. The English version would read, "The minister shall take measures necessary to carry out the purpose".

**Mr. Paul Forseth:** Thank you.

**The Chair:** Thank you.

Madam McDonough.

**Ms. Alexa McDonough:** Madam Chair, maybe it's more of a process problem, a procedural problem.

If the government were prepared to take under serious advisement all of the advice from the anti-poverty groups, from the students concerned about access and affordability of education who've appeared as witnesses, and were to fundamentally change the legislation so that low-income families—those who most need it, those who are supposed to be the target of this legislation—would actually benefit to the same extent as higher-income families who are in a position to put savings aside, then one could support this amendment.

What we'd be talking about is making information and promotional material available to people about a bill that is capable of living up to its own expectations.

**The Chair:** Madam McDonough, with all due respect, we're discussing a specific clause here, and it seems to me that the arguments you're putting forward are arguments on the totality of the bill, on its *bien-fondé*, as we say in French. I would suggest that we keep discussing proposed clause 3.1, if that is what you wish. But your arguments do not address clause 3.1; they actually address the totality of the bill.

**Ms. Alexa McDonough:** Well, Madam Chair, let me just say that whether proposed clause 3.1 is supportable or not depends upon whether the government is prepared to support amendments that in fact would significantly change what the provisions of the bill are. So we're really talking about this in the abstract at the moment. We're talking about it in a vacuum until we know whether the government is actually prepared to entertain more fundamental changes.

It seems to me to be an exercise in perversity to be concerned about letting lots of people know more about the provisions of this bill if the provisions of the bill aren't going to change.

Maybe I've made my point. I don't want to bog down the committee.

**The Chair:** Thank you, Madame McDonough. I think you have.

Mr. Forseth.

**Mr. Paul Forseth:** Yes, we're only dealing with amendments that are before us and that have been properly brought to committee. There are no other amendments that we are going to entertain. If the NDP has some amendments here, we will deal with them at that time.

It's my view that we've had a discussion and there appears to be consensus, and I'm quite pleased that the government is prepared to

accept that amendment. I'm prepared to support it, so we should call the question on it.

**The Chair:** Before I call the question, Madame Bakopanos has asked for—

**Hon. Eleni Bakopanos (Ahuntsic, Lib.):** I just want to reiterate what Mr. Forseth said, Madam Chair. If we're going to redo the debate while we're going through clause-by-clause, I think Ms. McDonough will have an opportunity in the House again to be able to do this debate. At the moment, if she wants to offer it, there are statutory rules whereby she can vote against every single one of these amendments and not accept the body of the bill, but I'm not prepared to sit here and have another debate on what is fundamentally a bill that we're going through clause by clause. She can just reject the whole bill.

• (1135)

**The Chair:** Thank you, Madame Bakopanos.

I think the French text is the original text. I will go back to the English version and take it for granted that this is a friendly amendment to the English version. Is that correct?

**An hon. member:** Correct.

**The Chair:** Good.

Now, Mr. Forseth has called for a vote. Shall the amendment carry?

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

**The Chair:** Did I understand, Madam McDonough, that you did not...? I haven't seen your hand go up in any way. I do not know how you voted.

**Ms. Alexa McDonough:** I said I'd abstain, because it's meaningless unless we have some indication that the government is prepared to make the provisions of the bill live up to the stated purpose of the bill.

**The Chair:** You've explained that.

**Ms. Alexa McDonough:** But I appreciate the point. We don't need to debate this every step of the way.

**The Chair:** Thank you.

**Ms. Alexa McDonough:** However, on a point of order, Madam Chair, I do want to say that it's fair game to remind people they are free to bring in amendments. Of course, there is no provision for us to bring in monetary amendments that would in fact bring the bill up to where it could live up to its stated purpose. Therefore, our hands are tied in terms of fundamentally changing this fundamentally flawed bill. And I will have the chance to make that point again in debate in the House.

**The Chair:** In the House, yes. Very good. Thank you, Madame McDonough.

**The Chair:** I now move on to clause 5, and clause 5 has been presented by Mr. Van Loan.

Do you wish to speak to it, Mr. Van Loan?

**Mr. Peter Van Loan:** Very briefly, this was the notion of extending the application of the matching grants to also apply to contributions made to a fund by, for example, a grandparent, so that they wouldn't have to set up their own separate RESP for the same child. They could make the contributions to an existing RESP set up perhaps by an institution or the mother of the child or whatever. It simplifies things and broadens the opportunity, while cutting down on unnecessary paperwork and fund creation.

**The Chair:** Thank you.

Is there any discussion on this amendment?

Mr. Adams.

**Hon. Peter Adams:** We have no objection to this amendment, Madam Chair.

**The Chair:** Thank you.

Is there any other discussion?

Monsieur D'Amours.

[Translation]

**Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.):** I don't want to get into a lengthy discussion, but on comparing the French and English versions, I do see a difference. In French, some dates are mentioned, whereas that is not the case in the English version. I don't know whether it's all that important, but I do find the two versions to be somewhat different.

**The Chair:** Quite so. Would you care to move...?

[English]

I'll ask Mr. Van Loan first.

Mr. Van Loan, I agree with Mr. D'Amours that there is a discrepancy in the text between the English and the French. Is it your wish to change the English in any way, considering that it is the original text?

**Mr. Peter Van Loan:** I confess to not having looked at the French.

**Hon. Peter Adams:** I suspect it would be simply a matter of presenting it, because there's a turn of the page in the English version, and the English version goes on in the appropriate fashion. So, Madam Chair, you simply have more of it in the French than you do in the English, that's all.

**The Chair:** What has been explained to me,

[Translation]

Mr. D'Amours, it's just that if you look at the original version of clause 5, you will see that it is divided up differently. However, in actual fact, Mr. Van Loan's amendment, which would be added to clause 5, provides exactly the same information in French as in English. Is that explanation satisfactory to you? It is? Thank you.

Are there any other comments regarding clause 5 or the amendment to clause 5? No. I will then call the vote on the amendment to clause 5.

• (1140)

[English]

I beg your pardon, we are voting on the amendment of clause 5. This is a vote on the amendment to clause 5. Those in favour?

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

**The Chair:** We now have a choice, ladies and gentlemen. We can either move on to the next amendment, or we can vote on the clause as amended by yourselves just a few seconds ago. What do you wish to do? It ends up the same thing in the end, and it's a technical matter more than anything else. Could I hear your opinion, please?

Mr. Forseth.

**Mr. Paul Forseth:** Just keep moving on.

**The Chair:** You want to keep moving. So you don't want to vote on the amended clause? That's fine. So we move on to proposed clause 9.1, which is being presented by Mr. Adams.

**Hon. Peter Adams:** Thank you, Madam Chair.

Essentially what this does is it brings something that was previously in clause 13 forward and places it here, so it brings it out of regulations into the bill.

**The Chair:** Discussion?

**Mr. Peter Van Loan:** What does that thing do?

**Hon. Peter Adams:** We think it strengthens it. Previously it would be in regulations, and as you understand, regulations cannot be fully written until after royal assent and they have to be published, and publicly viewed, and so on. In this case, we're bringing it into the legislation to make it more precise.

**Mr. Peter Van Loan:** But in practical terms, what does it mean?

**The Chair:** The fact that it is taken out of regulations into the law?

**Mr. Peter Van Loan:** It says "to avoid undue hardship, waive any of the requirements", except for the need to...

**Ms. Lenore Burton (Director General, Learning and Literacy Directorate, Department of Human Resources and Skills Development):** It gives the minister clearer authority to waive some of the regulations around the Canada education savings grant, or the learning bond, such as the condition that the beneficiary has to have a SIN number. It limits the minister's authority to just what's in the act, the conditions that are in the act. So the beneficiary has to have a SIN number.

Another example would be the condition to designate an RESP to receive a grant. This is in cases of undue hardship, and the minister would have the discretion to decide where a person, for example, couldn't designate or couldn't for some reason have a SIN.

**The Chair:** May I bring to your attention the fact that the decision on G-1, the amendment we're discussing now, has consequences on clause 13, G-2. So whatever is going to be decided for G-1 is consequential for G-2.

**Hon. Peter Adams:** Madam Chair, if I might, that's what I mentioned, it has to do with clause 13, it brings it into the bill.

**The Chair:** I wanted to make sure everyone understood what she was talking about.

In fact, the vote on G-1 applies to G-2, since, if I understand this correctly, Mr. Adams, we're withdrawing it from one and putting it into another place. If you vote yes for G-1, you necessarily vote yes for G-2 as well. It's the same amendment, we're just displacing the text.

Is there any more discussion on G-1?

Madam McDonough.

**Ms. Alexa McDonough:** I would like to have a better understanding of what we're actually talking about. Just on the face of it, it seems quite extraordinary that we should entertain an amendment so broad as to say the minister may waive any requirements of this act or the regulations that relate to the very matter we're dealing with, without there being any type of constraint on that. If what we're really concerned about is hardship created, we'd be changing fundamentally the financial provisions of the bill. But what does that mean? Why would we be doing this?

**The Chair:** Mr. Adams.

**Hon. Peter Adams:** I defer to my lawyer colleague, but as I see it, Madam Chair, if this were in regulations, it would be something that in fact could be moved around and it would give the minister more flexibility. If anything, what this does is it circumscribes the minister more, and I'm going to look at my colleague, than would be the case if this were just in regulations. So because it's in this part, in the body of the bill, the extent to which the minister can be involved in these matters—these exceptional circumstances that Lenore was trying to describe—are more precisely defined.

• (1145)

**The Chair:** Do I understand exactly that it does limit the minister to some extent by putting it into the bill rather than into the regulations?

**Hon. Peter Adams:** The answer to that is yes.

**The Chair:** That's in answer to your question, I think, Madame McDonough.

Madame Gagnon.

[*Translation*]

**Ms. Christiane Gagnon:** Would it be possible to consider the application of a person who had truly valid reasons — whether because that person was ill or was out of the country, for example — for not submitting an application before 21 years of age? Could the Minister make an exception to the rules in a case such as this?

[*English*]

**Hon. Peter Adams:** Madam Chair, without having to comment on every one of those circumstances, the answer to that is yes. You try to dream up these cases, but there are cases of undue hardship we don't know of. You gave a couple of examples there, and the intention is yes, the minister will have the powers to do that, and he will have to look at those things because it's in this part of the bill.

**The Chair:** Is there any more discussion on G-1?

Monsieur Silva.

**Mr. Mario Silva (Davenport, Lib.):** I'm not very clear on these things, but can they not be specific to just hardships, or is that written...?

**The Chair:** It says “undue hardship”.

**Hon. Peter Adams:** Undue hardship. Yes, it is trying to deal with exceptional circumstances, and in this case the object of the exercise, as I understand it, is to help people with low incomes to get better post-secondary education, and this is to give the minister powers to deal with these special hardship cases.

**Mr. Mario Silva:** Great, thank you.

**The Chair:** Is there any more discussion?

Monsieur Forseth.

**Mr. Paul Forseth:** Yes, I would just like to ask, do we have any precedents or can we cite anywhere else where we've worked out the definition of what undue hardship is? Can we cite some other reference, or is that totally interpretive within the situation itself?

**The Chair:** Monsieur Beaulieu.

**Mr. Christian Beaulieu (Senior Counsel and Team Leader, Justice, Department of Human Resources and Skills Development):** To my knowledge, and I'm also responsible for the Canada student loans program, all we have is a reference to undue hardship, and it's very broad. From what I recall having seen, we don't have a real definition of what undue hardship is.

**Mr. Paul Forseth:** Okay, because I can just see during the course of work at an MP's office someone coming to me and saying they're a hardship case, and I hear their story and I support them as their advocate to get some compassion, but then a minister makes a decision—generally it will be their officials—to say no, this is not reasonable. Then we get into a contest. I take it that the so-called minister's decision is final as to the interpretation of what hardship is. Obviously there has to be other case law or other precedents that we can cite in a general set of circumstances, because this kind of thing pops up quite a lot throughout legislation. Maybe you can give me some help in that regard.

**Hon. Peter Adams:** I'll try first, and then maybe my colleagues.

First of all, let me get the regulations, which we're going to go to next, because they're amendments. You'll see that the minister's powers are limited. In other words, he can't just reach out and find something. There will be limitations in the regulations.

The other is, as an MP, Paul, it seems to me you're faced with this. We're always faced with exceptions and unusual circumstances. Having a section in like this, as an MP I would use it. I'd go to the minister and I'd say, look, we have this thing in here and it says “for undue hardship”. Although you'll find in the regulations there are some limits on it, the minister would be bound to look at it and maybe rule in your favour.

That's the way I would argue it.

• (1150)

**Mr. Paul Forseth:** Okay. I've put the cat among the pigeons now.

**The Chair:** Madame Gagnon, then Madame McDonough.



[*Translation*]

**Ms. Christiane Gagnon:** Our research analysts advise us that other socially relevant acts also include the reference to ministerial discretion. By overly restricting the definition of actions that are prejudicial, we run the risk of not recognizing exceptions to the rule, on the pretext that certain cases fail to conform to our definition. In my estimation, a very broad definition is preferable in terms of ensuring that the act applies in a beneficial manner.

[*English*]

**Ms. Alexa McDonough:** I had a question, if I could, to follow up with Mr. Beaulieu. I just want to clarify if I understand that he was saying under the current Canada student loans program the minister has similar discretion as it relates to undue hardship. Did I understand correctly?

**Mr. Christian Beaulieu:** I don't remember exactly whether it's said in a regulation per se that "for purposes of avoiding undue hardship", but I know as a fact that there are policies there and we have provisions in the act—we don't use the words "per se"—for people for instance who suffer from permanent disability. There are provisions that give the minister the power to forgive a student loan with the death of a student. Whether the words "undue hardship" are used, I don't recall clearly. I don't think it's in the most recent legislation, the new act of 1995 and the regulations. I don't recall having seen that, but it might be there in the previous legislation.

**Ms. Alexa McDonough:** You actually used an example that was precisely what was in my mind, so I would just pursue it one step further.

I believe I'm correct that under the current provisions of the act for the Canada student loans program, if a student becomes disabled within six months of graduating, then provisions can kick in to allow for the forgiveness of the loan. But my precise question to find out what are we talking about here in terms of the limitations or the extent of these discretionary provisions that the minister would have is this. Does the minister now under the act have the ability, considering undue hardship, that if a student becomes disabled eight months after graduation he in fact can exercise that discretion to forgive the loan?

**Mr. Christian Beaulieu:** I'm not an expert when it comes to the Financial Administration Act, but I do recall there are provisions there to remit loans and to forgive loans, or I mean actually debts.

So in the student loan legislation, no, there's nothing there, but under the Financial Administration Act there are provisions and the Governor in Council may in certain circumstances either remit the debt or forgive it.

**Ms. Alexa McDonough:** And it's the same kind of discretion that's being proposed here?

**Mr. Christian Beaulieu:** It's the same. There are regulations, or it's maybe in the FAA per se, but there's a reference. I don't remember whether it's exactly those words we used, but yes, the same power's there.

**The Chair:** Thank you.

Mr. Van Loan.

**Mr. Peter Van Loan:** Having gone through now back and forth comparing them, which is a helpful exercise, I don't know—

•(1155)

**The Chair:** Are you talking about amendments G-1 and G-2?

**Mr. Peter Van Loan:** And also the clauses themselves.

What was going to happen before, as I understand it, was discretion to the minister to wade in in these undue hardship cases was going to be set out in regulation. Now it's going to be set out in statute. The definition of what constitutes hardship was going to be set out in regulation prescribed, but still the same thing. So the definition of what will be undue hardship will be specified. It won't be prescribed; it will be specified in regulation. I don't know how that's different from being prescribed. That's the same thing to me. It's just different words. If there's some magic difference, someone should tell me.

Finally, the one that is the most profound difference is for... In the original draft we had a proposal specifying the circumstances in which the bonds could be shared or the earnings on them shared between beneficiaries and this was the notion of brothers and sisters. Now that will be the power to make regulations "governing or prohibiting the sharing of CES grants". So it just expands the minister's authority a little bit to not even allow the sharing theoretically. But I don't think there's anything significantly different from what we had in the original draft, other than making it possible to not allow sharing, and letting the minister decide.

**The Chair:** Thank you, Mr. Van Loan.

Do we wish more discussion on the subject? No? I propose a vote then.

(Amendments G-1 and G-2 agreed to) [See *Minutes of Proceedings*]

**The Chair:** Now to amendment BQ-2, which has been

[*Translation*]

presented by Mr. Boire.

**Mr. Alain Boire:** We're proposing that lines 21 through 26 of clause 13(1)(j) be deleted in the French version. This provision stipulates that any earnings generated must be repaid to the government which is precisely why we want the lines to be deleted. This way, any interest earned would be paid to the beneficiaries. After all, it is the person pursuing the post-secondary education who is most in need of these earnings.

**The Chair:** Thank you.

Any further comments?

Mr. Adams.

[English]

**Hon. Peter Adams:** Madam Chair, the purpose of this bill is to encourage, when the child is at a very early age, families to think about post-secondary education. Then the second purpose is that a young person—or they could be not so young the way it's worded, let's say up to the age of 40—be able to access these moneys that have been saved over this period of time and that the money go directly to them. That's our purpose. It seems to me, with respect to this amendment, the problem here is if it doesn't go back to the government, where does the money go? For example, would the money go to a person who is now in a much higher income bracket, no longer a low-income bracket, and they are going to draw it? Is it going to go to some purpose other than post-secondary education? The purpose is education of some sort, lifelong learning of some sort.

I think there's an accountability aspect to this. The government, first of all, needs to know where the money has gone; but secondly, if the money doesn't come back to the government we have no way of knowing that it's going for the purpose it was intended for or to the people for whom it was intended.

**The Chair:** Is there any more discussion on this?

[Translation]

Mr. Boire.

**Mr. Alain Boire:** This only applies to the learning bond. Only low-income persons are eligible to receive the bond. Higher-income earners do not qualify.

**Ms. Christiane Gagnon:** You've mentioned the possibility of extending eligibility to persons in another income bracket. That's not possible. Only low-income earners are eligible.

**The Chair:** If I could just interrupt for a moment, I'd like to clear up one point, Mr. Boire. If interest generated is not repaid to the minister or to the government, then who gets the money?

**Mr. Alain Boire:** The beneficiary of the plan would use any earnings generated for his or her post-secondary studies. We're only talking about interest earned.

[English]

**Hon. Peter Adams:** Madame Chair, could Lenore respond to this?

**The Chair:** Please, Madam Burton.

**Ms. Lenore Burton:** There are essentially three different kinds of RESPs: an individual one, a family one, and the group plan. The difference in the group plans is that the money is shared across a cohort—in other words, all the children born in a particular year. This gives us the ability in just the group plans to take back the earnings on the bond so that those earnings would not be shared among other individuals in that cohort group, who may indeed be a lot more wealthy.

• (1200)

**Mr. Peter Van Loan:** It only applies to these group...?

**Ms. Lenore Burton:** To the group plans.

**Mr. Peter Van Loan:** And it wouldn't apply to any other individual plans?

**Ms. Lenore Burton:** We would have already taken back the Canada learning bond—

**Mr. Peter Van Loan:** Right.

**Ms. Lenore Burton:** —and now we're taking back the earnings. In the other plan the earnings from the bond can be shared between siblings.

**Mr. Peter Van Loan:** And if not?

**Ms. Lenore Burton:** I'm sorry, I don't understand.

**Mr. Peter Van Loan:** If there are no siblings.

**Ms. Lenore Burton:** If there are no siblings in a family plan or an individual plan the earnings can be used by the individual, the beneficiary.

**Mr. Peter Van Loan:** So it's only the group plans that are at issue here.

**Ms. Lenore Burton:** It's the group plans, yes.

[Translation]

**The Chair:** Are there any further questions? No? Then I will call the vote on the amendment.

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

(Clause 21)

**The Chair:** I draw your attention to the fact that amendment C-2 presented by Mr. Van Loan and amendment BQ-3 presented by Mr. Boire are identical. We can discuss either one because they are in fact the same.

I'll start by asking Mr. Van Loan to explain his amendment, then I'll ask Mr. Boire to comment as well.

Mr. Van Loan.

[English]

**Mr. Peter Van Loan:** This is simply to make all of this accessible to part-time students, which seems quite reasonable. I think there was broad support for that.

[Translation]

**The Chair:** Would you care to add anything to that, Mr. Boire?

**Mr. Alain Boire:** Our reasons for proposing this amendment are indeed similar. The amendment would extend this initiative to part-time students attending post-secondary institutions.

[English]

**The Chair:** Mr. Adams, do you wish to react?

**Hon. Peter Adams:** Madam Chair, my sympathies and my role are in play here. My understanding is that the committee in fact cannot accept amendments that increase the cost of the bill. In this case, by extending the take-up of the funds, it seems to me that it increases the cost of the bill.

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

Madame Gagnon.

[*Translation*]

**Ms. Christiane Gagnon:** I support this amendment because students in the social sciences or other fields often find it necessary to work while going to school. This is also true of lower-income families that cannot cover all of their children's expenses while in school. In such cases, students are often forced into the position of attending school part-time. These students often take four or five years to complete their education instead of three. They need this money to cover various education-related expenses. I don't think we've gone far enough. We're penalizing students who, because of their parent's income level, have to work while they study part-time. Often they have no choice in the matter.

I was a part-time student myself. Some years I had to work while attending school. I was forced to pick classes that started at 4 p.m. and ended at 8 p.m. Therefore, I'm in favour of this amendment. If we vote down a measure like this, it means we're not really interested in expanding the program any more than is really necessary.

**The Chair:** Before I recognize Ms. Bakopanos, I have to say that we're dealing with a basic problem, in my opinion. As Mr. Adams just explained, we cannot adopt an amendment that would result in increased expenditures once the bill is passed.

However, Mr. Adams, I would like either you or one of your colleagues to explain further the impact this type of amendment would have on the financing provided for in this bill.

Mr. Adams.

•(1205)

[*English*]

**Hon. Peter Adams:** Madam Chair, could you give me two minutes?

**The Chair:** Yes.

While I give you two minutes, I will allow questions.

Madame Bakopanos.

[*Translation*]

**Hon. Eleni Bakopanos:** That's precisely what I want to know, Madam Chair. Before we begin debating the amendment, I'd like to know if it is in order.

**The Chair:** In a moment, we'll see if it is.

**Hon. Eleni Bakopanos:** I understand, but there's no point starting a debate if the motion is out of order.

[*English*]

**Mr. Peter Van Loan:** That is what I wanted to speak to.

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

**Mr. Peter Van Loan:** I would dispute the contention that it expands the costs any more than the first amendment we adopted today. The first amendment we adopted today encourages higher take-up of the program, and that's exactly what we're talking about here. It's still all students. We're just saying that a student taking two and a half credits isn't going to have to move up to three credits in order to qualify; that's just a continuum, as far as I'm concerned.

The first amendment we dealt with is specifically designed to take.... I should have kept in the words "any necessary measures" to

encourage the program, because that would do it more dramatically. But I don't see any difference. I don't think it is of a scale that has financial consequences that affect...any more than saying that if the program is well run it will cost more than if it's poorly run, or vice versa, depending on how you operate.

**The Chair:** I would like to give Mr. Adams the floor, and I'll come back to you.

**Hon. Peter Adams:** I'd be glad to hear other colleagues first.

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

Monsieur D'Amours.

[*Translation*]

**Mr. Jean-Claude D'Amours:** Thank you, Madam Chair.

I have a problem with the purpose of the bill. I don't quite understand how this will entail additional costs. Basically, when we look at the situation, whether a person is a part-time, or full-time student, the money is already there during the time the student can access the funds. How can it result in increased costs? From a monetary standpoint, what difference does it make if the person chooses to study part time, as opposed to full time?

Single parents have to work just like anyone else. Everyone has to work. This is one way for them to get the funds — obviously we are not talking about the fiscal aspects here — and to use the funds.

I question whether this would result in higher expenditures.

**The Chair:** Before I give you the chance to respond, I'll let Mr. Silva have the floor.

[*English*]

**Mr. Mario Silva:** Madam Chair, I simply want to state that I am supportive of this particular amendment. How can we talk about lifelong learning without talking about people actually doing part-time studies?

At the same time, at the end of the day, I think there'll be a ruling, I would imagine by you or by the Speaker. But I know that when these issues come forward, either as legalistic issues or even accounting issues, there could always be two different ways of interpreting whether it will in fact increase the burden or the cost.

For now I think that, in principle, we should support it.

**The Chair:** Thank you.

Is there any other discussion before I give it back to Mr. Adams?

Madame Gagnon.

[Translation]

**Ms. Christiane Gagnon:** Further to my colleague's remarks, I have to say that I agree with him. The money is already there. The funds accumulate over a 15-year period. It's possible that for any number of reasons, whether financial or parental — for example, when a person becomes a single parent — that someone may be forced to work while pursuing a post-secondary education.

This kind of assistance could also be available to a person with a disability who might not be able to attend school full time. The need to work would put that person at a disadvantage. In my opinion, we need to look at the bigger picture. We've already accepted the fact that pursuant to the principle behind this bill, RESPs and learning bonds are comparable savings vehicles. If we truly want to help families in need, then at the very least, we need to rule this amendment in order.

•(1210)

**The Chair:** Thank you.

Mr. Adams.

[English]

**Hon. Peter Adams:** I don't know if colleagues can remember or if they'll look at the transcript, but I did explain my personal position in the very first few sentences I made.

Our view is that it increases the expenditures. But, Madam Chair, we're in your hands and in the hands of your legislative colleague. If you would rule, I think I would be comfortable with your ruling.

**The Chair:** Seeing that it is the opinion of the government that it would increase the expenses, what we would like is an explanation of how it would. If anyone could speak to that...

**Hon. Peter Adams:** The thing to speak to is greater take-up. The question is, is it greater take-up? Philosophically, the question is, what is the purpose of the bill?

I understand the arguments, but the answer to that question is that it's viewed that there's greater take-up, and therefore there's greater cost.

**Mr. Peter Van Loan:** I would think Monsieur D'Amours is right on the mark. When they're born or at age two, nobody knows if they're going to be studying full-time or part-time. The fact is that the take-up is entirely unrelated to the course of studies somebody undertakes eighteen or twenty years later. So I don't think it does result in higher take-up in any way, shape, or form.

**The Chair:** The question is, how does the increased take-up increase the amount of money that has to be taken from the consolidated fund in order to pay for this? That is still the question that is hanging.

If you don't mind, Mr. Forseth, I'll go to Madame Schwartz first.

**Ms. Barb Schwartz (Senior Policy Analyst, Learning and Literacy Directorate, Department of Human Resources and Skills Development):** I'm not sure if I can answer the question in that regard, but currently if you own an RESP you can only take out your money and the earnings and the grants that you've accumulated if you're studying full-time. Therefore, part-time students do not have access to their own funds in their RESPs, and should they ultimately not attend post-secondary education, perhaps those

government grants may be returned to the government because they are not studying and weren't able to use them. It's almost forgone revenue. The money is paid out to the RESP as it is, unrelated, but when they go to take the money out, if they could not access it because they were only studying part-time, then that money would not be returned to the Government of Canada.

**The Chair:** Excuse me, Mr. Van Loan, you do not have the floor. Just give me a moment, please.

Yes, Mr. Forseth.

•(1215)

**Mr. Paul Forseth:** On a point of order as to how we're going to proceed, I will not get into the merits of the argument, but I think we could perhaps hear a little more of the technical arguments about why.

**The Chair:** That is what I intend to do.

**Mr. Paul Forseth:** Then we, as a committee, could collectively decide whether that has merit or not, with the royal prerogative or not, and then we will go forward with that.

Let's think of this procedural scenario. Say we decide, in spite of the arguments that we heard, to rule that it's in order and we accept the amendment and it goes forward. It would still be subject to a later review at the House.

I'm just trying to outline—

**The Chair:** Excuse me for interrupting, Mr. Forseth, but the rule as to whether it is in order or not is mine to decide as chair of the committee, not for the members of the committee to decide. The rest of it, that it will go back to the House eventually and that the Speaker of the House may rule otherwise, is fine. That's according to the rules. But at this level, it is a decision for the chair to take.

**Mr. Paul Forseth:** Okay, so we should have some discussion.

Talking strictly to procedure, it is my wish that we hear a little bit more from the experts and then have some discussion around here to give you some advice as to what the mood of the committee is concerning your ruling.

**The Chair:** It is my intention to ask for more information.

Yes, Ms. Bakopanos.

**Hon. Eleni Bakopanos:** On a point of order, Mr. Forseth, if you're going to challenge the chair's ruling after the fact.... I'm all for listening to the other arguments, but you cannot challenge the chair's ruling once she has ruled. Then it is up to the Speaker to go into the House and challenge the chair's ruling. There is other procedure, but we can spend the whole day challenging the chair. Let's just hear—

**The Chair:** I'm sorry, Madam Bakopanos, I understand Mr. Forseth or any other member can challenge the chair on a ruling, but let us not get bogged down on this particular one when we may not have to. We don't know at this point in time. Let us move forward.

My question is—and I think you and I are going in the same direction, Mr. Forseth—again to the government representatives. Considering we're talking at this point in time about money going back into the consolidated funds if the part-time students are not able to avail themselves of this bond, is there a royal recommendation? How does this affect the royal recommendation on this bill?

Would you like to identify yourself, please, sir?

[*Translation*]

**Mr. Serge Dupont (General Director, Tax Policy Branch, Department of Finance):** My name is Serge Dupont and I'm from the Finance Department.

[*English*]

**The Chair:** Merci.

• (1220)

**Mr. Serge Dupont:** I hope I can shed some light on the issue.

I think there are two cost dimensions to this particular proposal. The first cost arises where moneys—the Canada education savings grant contribution of the government—were to revert back to the government and would not now do so in a particular case where somebody availed himself or herself of the capacity to use those funds for part-time studies. Those are, if you wish, moneys that would not be coming back to the crown. I think one of the members made that point.

The second one is the issue of how, over time, this may affect contributions from individuals—from parents in most cases, I suppose—who would then be understanding of the greater flexibility in the program. At this time a parent is placing money into this account on the basis that the Canada education savings grant will only be available for full-time study, and of course the same would apply to the Canada learning bond.

The rate of investment—and it's not only when the child is zero or two years of age, but up to 17 years of age—can be affected by the prospect of greater flexibility in the program. That may be a good policy or a bad policy. I think the point we're debating here is whether it in fact can induce greater investment and therefore potentially greater expenditure under the Canada education savings grant.

**The Chair:** In your opinion, would it influence greater investment in the savings bond?

**Mr. Serge Dupont:** I don't have any empirical evidence, Madam Chair, to say one way or the other. I would simply make the proposition that if a parent with a child between, say, 15 years and 17 years of age is aware the program has greater flexibility, there may be a greater interest and a greater incentive to put savings into that account rather than to other uses.

**Hon. Peter Adams:** May I...?

**The Chair:** Just a minute.

**Hon. Peter Adams:** This might help you a lot.

It seems to me there may be a case here. I've done my best to put the case, and there may be a case, but it seems to me it needs to be firmed up. We need to have the evidence, the genuine evidence. That will clearly take some time.

Whatever your decision is going to be, it's going to be reviewed by the Speaker, as Paul said. I would at this moment be quite willing to withdraw my position, pending the Speaker's being provided with more detailed evidence, and you can proceed with your ruling knowing what I've just said.

**The Chair:** I know there are three people who would like to speak. I'll accept the three people, and then I will give a conclusion.

Monsieur D'Amours, Monsieur Devolin, and Madam McDonough.

[*Translation*]

**Mr. Jean-Claude D'Amours:** Madam Chair, I respect that opinion, but I also want to be certain that the Finance Department spokesperson hears what I'm saying.

I'll be a new father in May of 2005. How, if I open an account in May of 2005, am I expected to know, first of all, if my child will pursue post-secondary studies, and secondly, whether he or she will study full time? There's no way for me to know that. I don't have a crystal ball telling me that my child will be a part-time student. Therefore, I can't go along with this.

I appreciate your comment, but I cannot predict that 18, 21 or however many years from now, my child is going to be attending school full time.

**The Chair:** Thank you, Mr. D'Amours.

Mr. Devolin.

[*English*]

**Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC):** I have a couple of observations.

First, it seems to me that the ultimate net cost of this program is unknowable. I guess the ceiling would be estimating if every single person took it up at its maximum, but that number is so far from reality it's really not useful.

I think to try to fine-tune a number when we actually have no idea how big it's going to be is silly. The issue around the more the government spends on advertising and the better people understand it, the more people will take it up and it will increase the costs....

Are you suggesting that if too many people start to take advantage of it we would actually stop advertising, because it would be actually driving the cost up too high, because it would be working and actually achieving what was intended?

My second point is that it seems to me that in the future the government will bear the net cost of this program, which is the amount that's going out minus the amount that gets returned to the government. So the suggestion is that somehow, by changing the criteria—and I understand that if the child is at the end of eligibility, 17 or 18—it may have some incremental impact in terms of how many people take it up.

My specific question is when you look down the road, do you estimate revenues being returned? Because you're suggesting that your estimated returned revenues will be diminished if we make this change, which suggests that you actually know what the estimated returns.... When we look down the road, we can't estimate the net cost without having an estimate in terms of both how much is going to go out and how much is going to be returned.

Does the Ministry of Finance know, for example, that we expect on average 20% or 22% will come back, and if we make this change, only 14% will come back?

• (1225)

**The Chair:** Could you introduce yourself, sir?

[*Translation*]

**Mr. Serge Nadeau (Director, Personal Income Tax Division, Department of Finance):** My name is Serge Nadeau and I'm the Director of Personal Income Taxation at the Department of Finance.

**The Chair:** Thank you.

[*English*]

**Mr. Serge Nadeau:** In terms of answering the question, first, we saw the amendments just this morning, so it is very difficult—and it's the same for my colleague—to give you estimates when we've had only half an hour or so to read the amendments.

This being said, one thing is certain. If this is open to part-time students, the outlay is going to go up because the take-up is going to go up. The uncertainty here is by how much. It's not going to go down, for sure. Let's face it: it has to go up. By how much? At this time, after half an hour, we're not able to give that to you. Understand that.

**Mr. Barry Devolin:** Will you admit it will be incremental?

**Mr. Serge Nadeau:** It's going to be incremental for the specific example that you, Mr. Devolin, mentioned. Suppose you are a parent, and your kid is 15 or 16. If they see that their kid is not going to go into full-time education, many parents would stop contributing to the RESP.

You can have a very good idea by the time your kids are 15 or 16 whether or not they are going to go into post-secondary education. I have kids, and I know that.

**Mr. Peter Van Loan:** It makes no difference, full-time or part-time.

**Mr. Serge Nadeau:** Oh, but I mean, if you have hope that the kid can go part-time, then you will have an incentive to put more money in it. But let's be realistic: for sure the contributions are not going to go down; they can only go up. By how much? We don't know.

Currently, the second part of the cost is the clawback. Money currently is coming back to the government, about \$8 million a year. Let's be realistic, the CSG program is in its infancy. These costs are increasing at quite a fast rate. What happens, of course, is that if part-time students are allowed to draw from their RESP, well, not as much money would come back to the government. By that I mean that we estimate about 50% at this time.

**Hon. Peter Adams:** Madam Chair, I will repeat what I said. I think there may be a case here, and it could certainly be presented to the Speaker. I think you can rule on the basis of current evidence.

**The Chair:** That is what I intend to do. Thank you very much, Mr. Adams, for giving me that opportunity.

I apologize to you, Madam McDonough, but I will rule that—

**Ms. Alexa McDonough:** Madam Chair, on a point of order, I've been asking to be recognized, and you have taken five other speakers ahead of me.

**The Chair:** Go ahead, Madam McDonough.

**Ms. Alexa McDonough:** I just think it has to be said that we have two problems here. One is complete inconsistency in the arguments that are being made. We passed an amendment here adding clause 3.1. I abstained because I said it was meaningless. It would do exactly the same thing as the amendment that is now before us to extend it to part-time coverage. If clause 3.1 isn't intended to increase the take-up, is it just meant to do PR on behalf of the government? What is going on here?

Second, we have seen a perfect example—and I intend no disrespect whatsoever to the finance department representatives—of how this bill is designed from the point of view of the Department of Finance, not from the point of view of either educational objectives or student need.

We are now hearing arguments about how part-time students should not be eligible, and the very students that most desperately need the benefits of this, if it makes any sense at all, are low-income students. Who goes to school part-time? For the most part, it's low-income students who can't possibly dig into their family coffers, their personal savings, to be able to afford the exorbitant tuitions for which there is inadequate needs-based grants systems.

This just exposes.... I just think there is no conclusion we can come to, other than that it's fundamentally flawed and it doesn't live up to its own stated purpose. We should take the advice of practically every single expert and stakeholder who came before this committee and said to scrap it because it doesn't have anything to do with what is needed or what it even says it purports to do. We've just seen two examples of that.

• (1230)

**The Chair:** Thank you, Madam McDonough.

I would like to say that pending any other evidence, it does not seem probable that it affects royal recommendation. I do agree with quite a lot of your argument, Madam McDonough, I must admit. So when in doubt, I think we have to give the benefit of the doubt to the member.

I rule that we will accept these amendments, and if the Speaker of the House feels this is a terrible decision on my part or on the part of this committee, then it will be up to him, when it's at report stage, to change it.

Thank you.

This obviously was a ruling on amendments C-2 and BQ-3. I just want to make sure that is on the record.

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

**The Chair:** We now move on to G-3, still on clause 21.

Mr. Adams, you are the person who presented this amendment.

**Hon. Peter Adams:** Madam Chair, I do accept this amendment.

**The Chair:** But would you like to speak to it? That was really my question, Mr. Adams.

**Hon. Peter Adams:** No, Madam Chair. The members have read it. If they have any questions, I'll be glad to try to answer them.

**The Chair:** Certainly from my point of view as chair, Mr. Adams, I would like you to speak to what it is that this amendment brings that is different from the way the clause was written in the bill.

**Hon. Peter Adams:** I'll try, Madam Chair. I'll do my best here.

**The Chair:** That's all right, take your time. What is important is to get through the words.

**Hon. Peter Adams:** Madam Chair, Lenore will comment on this.

**The Chair:** Madame Burton, could you speak on this?

**Ms. Barb Schwartz:** I'll speak.

This is just an amendment to update a cross-reference to the Income Tax Act that is incorrect.

• (1235)

**The Chair:** Take your time. Are we moving forward on this?

**Hon. Peter Adams:** I apologize for this. I thought I was better organized.

**Mr. Christian Beaulieu:** If I may, I'll try to explain exactly what we're trying to do here.

When you look at Bill C-5, we have several amendments to the Income Tax Act in clause 21. What this motion purports to accomplish is to simply add that new clause between subclauses (9) and (10) of clause 21, on page 15 of Bill C-5.

Why add that new clause? As we speak, in the Income Tax Act, subsection (2.2) makes reference to subparagraphs (2)(d.1)(v) and (vi). But these subparagraphs, (v) and (vi), are actually being changed by Bill C-5. Where? When you look at page 14 of Bill C-5, at subclause (7), you see that paragraph (d.1) is amended, so now we're replacing the current (v) and (vi) by what you have here, (i), (ii), (iii). Because of that change we are introducing to (d.1), we need also to change the cross-reference in (2.2) to the new provisions.

**The Chair:** That's the technical explanation. Thank you.

Could you explain to us now, conceptually, what it brings to the bill?

**Mr. Christian Beaulieu:** If you'll allow, Madame Chair, I'll ask someone from the Department of Finance to explain that.

**The Chair:** Thank you very much, Monsieur Beaulieu.

**Mr. David Wurtele (Senior Tax Policy Officer, Deferred Income Plans, Department of Finance):** My name is David Wurtele. I'm with the tax legislation division of the Department of Finance.

This really is an editorial amendment. It has no real effect other than to update the cross-reference because of a numbering of a provision in Bill C-5.

**The Chair:** Would you like to expand on subclause (7), "Paragraph 146.1(2)(d.1) of the Act is replaced by the following...", and all the entire part of that subparagraph that appears on page 14 as (A), (B), and (C)? Could you explain to us what exactly it does?

**Mr. David Wurtele:** This is a provision that allows the accumulated income within an RESP to be paid out to the plan holder in the event that the beneficiary does not pursue post-secondary education. That is allowed only where certain conditions are met, notably that the plan has been in existence for ten years and the beneficiary is 21 years of age.

Bill C-5 is amending this provision not in any substantive policy way, but to reflect some of the aspects of the introduction of the Canada learning bond. The amendment to subsection (2.2) reflects the fact that the conditions in subparagraphs (d.1)(v) and (d.1)(vi) are now found in (iii)(A).

• (1240)

**The Chair:** It seems to me to be a very technical point that we are discussing here, and in terms of the concept, in terms of the way the bill is going to be carried out, it does not change anything. Do I understand this correctly?

**Mr. David Wurtele:** No, not at all. It is an editorial amendment.

**The Chair:** Does anyone wish to discuss this amendment further? No? Shall I call the vote then?

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

**The Chair:** We now move on to amendment G-4.

Mr. Adams, once again this is an amendment from the government.

**Hon. Peter Adams:** In the existing bill, it reads "the Minister of Human Resources Development". In fact, it's to be styled "the Minister of Human Resources and Skills Development". It simply brings it into the modern era.

**The Chair:** Thank you.

Considering that the department is being separated into two departments and is in fact being debated in the House this week, this is an editorial change.

Are there any questions or comments about amendment G-4? No?

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

**The Chair:** We'll move on to amendment G-5, which is also an amendment proposed by the government.

Mr. Adams.

**Hon. Peter Adams:** This is the "Coming into force" clause. Barbara Schwartz will explain it.

**Ms. Barb Schwartz:** Thank you.

Clause 4 is being added to the coming into force provision. Clause 4 designates the minister responsible for this act, so we would like this clause to come into force immediately upon royal assent, because we need to ensure that the minister is designated upon royal assent, to empower him to act as early as possible to enter into agreements with provinces to deliver similar programs.

**The Chair:** Thank you.

Monsieur Boire.

[*Translation*]

**Mr. Alain Boire:** I'd just like to draw your attention, Madam, to the fact that there is no mention of clause 22 in the French version. The reference was omitted.

**The Chair:** Thank you.

The French version of this amendment should, therefore, read as follows:

Que le projet de loi C-5, à l'article 23, soit modifié par substitution, à la ligne 34, page 16 de ce qui suit:

23. Exception faite des articles 4, 12, 17, 20 à 22

● (1245)

**Ms. Christiane Gagnon:** The reference in the text should be to "à 22", not "et 22".

**The Chair:** Exactly.

In the French version, the reference is to clauses 14, 12, 17, and 20 to 22.

Thank you, Mr. Boire.

Are there any further comments concerning this amendment?

Then I will call the question.

[*English*]

**Hon. Peter Adams:** I'm sorry, Madam Chair, I missed the translation of that last part.

**The Chair:** The translation, Mr. Adams, is simply to bring the translation in French to exactly what the text in English says.

[*Translation*]

**Hon. Peter Adams:** Christian has something he'd like to say.

**M. Christian Beaulieu:** To answer your question, if it's a matter here of amending an actual line, I would simply point out that on page 16 of the bill, we should keep the word "et" because the word "à" falls on the following line.

**The Chair:** What are you proposing we do, Mr. Beaulieu.

**Mr. Christian Beaulieu:** I think we should leave it as is.

**The Chair:** Can you read us your proposed amendment?

**Mr. Christian Beaulieu:** Basically, the wording of the amendment in French would remain the same, that is:

Que le projet de loi C-5, à l'article 23, soit modifié par substitution, à la ligne 34, page 16, de ce qui suit:

23. Exception faite des articles 4, 12, 17 et 20

because the missing "à" falls on the next line, that is line 35 of the bill.

**The Chair:** Any objections, Mr. Boire?

**Mr. Alain Boire:** No, I'm fine with that.

**The Chair:** Mr. D'Amours.

**Mr. Jean-Claude D'Amours:** Madam Chair, I want to be clear on this. By amending this line, clause 20 moves to line 35. Correct?

With the addition of clause 4, the line numbering changes anyway. What difference does it make?

**Mr. Christian Beaulieu:** This is strictly an editorial change.

**The Chair:** Thank you, Mr. D'Amours.

Any further comments? I'll call the question then.

(Amendment agreed to)

[*English*]

Following Mr. Forseth's suggestion at the beginning of this meeting, we may even possibly, if we can make it, go through the rest of the clause-by-clause fairly quickly. We have ten minutes left to this meeting, and I certainly hope we can get through the whole bill today.

(Clauses 2 to 4 inclusive agreed to)

(Clause 5 as amended agreed to)

(Clauses 6 to 8 inclusive agreed to)

(Clause 9 as amended agreed to)

(Clauses 10 to 12 inclusive agreed to)

(Clause 13 as amended agreed to)

(Clauses 14 to 20 inclusive agreed to)

(Clause 21 as amended agreed to)

(Clause 22 agreed to)

(Clause 23 as amended agreed to)

**The Chair:** All right. We're up to the end. Now we will come back to clause 1.

Madame Gagnon.

[*Translation*]

**Ms. Christiane Gagnon:** Just to clarify something, we've adopted clause 3, as amended. Correct?

**The Chair:** In fact, we've agreed to add a clause 3.1. That was agreed to by all committee members.

● (1250)

**Ms. Christiane Gagnon:** I see. I just wanted to verify that fact.

**The Chair:** Let's move on now to clause 1.

[*English*]

This is the short title of the bill.

(Clause 1 agreed to) [See *Minutes of Proceedings*]

**The Chair:** Shall the title carry?



**Some hon. members:** Agreed.

**The Chair:** Shall the bill as amended carry?

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

**The Chair:** Ladies and gentlemen, this has been a wonderful effort, and I want to thank everyone for making sure this bill got through. I think this is a bill—notwithstanding some comments—that will help a great number of Canadians across the country.

**Hon. Peter Adams:** Point of order.

**The Chair:** Please, ladies and gentlemen, stay with me another minute.

Mr. Adams, go ahead, please.

• (1255)

**Hon. Peter Adams:** Madam Chair, I know we passed this subject to editorial and grammatical changes, but I will simply point out that I suspect that in clause 3.1 in English there's a grammatical error. So when people are editing it, they might note that.

**The Chair:** That's in English, not in French, I hope. Thank you.

I would like to remind members that we do have some committee business that will not take long. I would ask you to stay for a quorum, because I need to have some decisions taken.

Thank you very much for the help from the Ministry of Human Resources and Skills Development, and the Ministry of Finance.

[*Translation*]

I now wish to inform committee members that Bill C-23 which was debated in the House has been referred to us and that Bill C-22 will also be referred to us Tuesday at the earliest, if it is passed in the House. These two bills provide for the splitting of the former Department of Human Resources Development into two new separate departments.

Perhaps the committee could hear from Minister Volpe on Bill C-23 next Tuesday, that is on November 30. Or, both ministers could appear on December 2, if Bill C-22 is referred to us.

Would you prefer to hear from Minister Volpe on the matter of Bill C-23 as of next Tuesday?

**Some Hon. Members:** Agreed.

**The Chair:** Then that will be the next item on our agenda.

[*English*]

At the subcommittee on employment insurance, there was some debate about the people who could take part in the proceedings of the subcommittee, and this was referred back to the full committee.

I went back to Standing Order 119, which states:

Any member of the House who is not a member of a standing, special, or legislative committee may, unless the House or the committee concerned otherwise orders, take part in the public proceedings of the committee, but may not vote or move any motion, nor be part of any quorum.

If this committee so agrees, apart from reporting back to the main committee, the subcommittee should be master of its own proceedings. In other words, the subcommittee shall decide whether they want to adopt a motion or not.

Does the committee agree that the subcommittee would be master of its own proceedings? The only thing it needs to do is report back in its report to this main committee.

**Some hon. members:** Agreed.

**The Chair:** Thank you.

Thank you very much for your help.

Mr. Martin.

**Mr. Tony Martin (Sault Ste. Marie, NDP):** I just want to know when you anticipate the subcommittee on disabilities beginning to meet.

**The Chair:** Not all parties have given names to the clerk, and we are still waiting for the whips of the various parties to give names to the clerk. Please check with your whip.

**Mr. Tony Martin:** Which parties are you missing?

**The Chair:** We have the NDP, but we do not have the Liberals and the Conservatives as yet. We don't have the Bloc names either.

The meeting is adjourned.





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