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—
Chair

The Honourable Roger Gallaway

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• (1535)

[English]

The Chair (Hon. Roger Gallaway (Sarnia—Lambton, Lib.)): I'll call the meeting to order.

We will continue with what will probably be our last consideration of Bill C-3, which was referred to us by the House on October 18. We had delayed this consideration until today on the understanding that the Government of Nunavut wanted to appear before the committee. Our clerk received a letter on December 6, and I'm going to read it into the record. It's very brief.

Dear Mr. Etoke:

I recently requested to appear as a witness before the House of Commons Standing Committee on Transport on its current study of Bill C-3. After further discussion with my colleagues in the Nunavut Government and other considerations I have decided to cancel my appearance in front of the committee.

We will, however, send the Government of Nunavut position by FAX to the Committee in the near future.

I would like to apologize for any inconvenience I have caused to the committee.

Sincerely,

Methusalah Kunuk

Knowing that the Government of Nunavut had wanted to come, but has now decided not to come, we will proceed to our clause-by-clause consideration of Bill C-3.

Yes, Mr. Nicholson.

Hon. Rob Nicholson (Niagara Falls, CPC): Before you proceed with that, Mr. Chairman, it's my understanding that the clerk of the committee has received another request, from Nunavut Eastern Arctic Shipping Incorporated. It's a letter, which I've been copied on, and it appears by the c.c. at the bottom that other members of the committee have received copies of that. That letter, among other things, indicates that they have some problems with the provisions of Bill C-3, which leaves the Ministry of Fisheries and Oceans with unchecked authority respecting the setting and payment of fees for navigational services. According to this group, this is contrary to the bill's intent to divide policy and regulatory and operational functions between Transport Canada and the Department of Fisheries and Oceans.

The letter goes on, and in the fifth paragraph it indicates that they would hope that the committee would hear private sector witnesses, and I guess in particular their own group.

Mr. Chair, it seems to me that we should deal with that. Perhaps the departmental officials here could give their take on this and indicate whether they've had a chance to consider this. I think as a

committee we have to consider whether we are going to call these individuals, inasmuch as they have apparently requested an opportunity to speak.

The Chair: Mr. Nicholson, I wonder if you can tell us the date of that letter. I'm sorry, I don't have it.

Hon. Rob Nicholson: The letter is dated December 8, which is just yesterday. I'm not sure if it was dropped off at my office, Mr. Chairman, or faxed to my office, but the letter is actually not addressed to me. I'm copied on this. It's to Mr. Etoke, the clerk of the standing committee.

The Chair: It certainly is a request. I'd be interested in hearing what other people have to say.

Mr. Karygiannis.

Hon. Jim Karygiannis (Scarborough—Agincourt, Lib.): Mr. Chair, with all respect to my colleague, I think that we certainly have to deal with matters ahead of us. As we go on in this process and discuss this bill, somebody else tomorrow may write a letter. Are we going to take two steps backwards and one step forward every time we receive a letter? A lot of people have had many opportunities to send letters. We've been going at the process of this bill for six to eight weeks. People who had an interest in it certainly could have been here and expressed interest or even written to the clerk. So for somebody to come to us two minutes before to ask, "have you done this, have you done that", I think is unfair to this committee and shows a bit of disrespect.

If you want to ask the officials whether consideration should be given, by all means, but I think at some point in time this committee has to move on in its work versus being held hostage by everybody who wants to write a letter.

The Chair: Okay.

Mr. Bonin.

Mr. Raymond Bonin (Nickel Belt, Lib.): I'll be brief. I was going to suggest that we allow the officials to comment on it.

The Chair: Okay. Do you want to pose a question to the officials, as they're here?

Mr. Raymond Bonin: Yes. Can you guide us? As you are probably aware of the concerns of this community, you could probably share with us what your feelings are about it and why we should change our agenda for a cause like that.

• (1540)

Hon. Jim Karygiannis: On a point of order, Mr. Chair, could that letter be shared with the officials of the department?

Were the departmental officials cc'd at the bottom, Mr. Nicholson?

Hon. Rob Nicholson: It would appear to me that it was cc'd to all the members of this committee, including the chair, and to Mr. Etoka as clerk of the standing committee. I don't know of anybody in the department who received it.

The Chair: I would point out to committee members that in fact there was a request made to the committee and it was discussed at the time in the steering committee. There were two or three. One was the Government of Nunavut. The decision was taken that we would invite the Government of Nunavut to appear. They have now declined to appear and have cancelled. I'm in your hands from that perspective.

Hon. Jim Karygiannis: So the steering committee has already taken a decision.

The Chair: The steering committee made a decision, which was confirmed by the full committee. Maybe we could proceed, if you want to ask questions, and a question has been asked of officials.

If you would care to respond...

Mr. Charles Gadula (Director General, Marine Programs Directorate, Department of Fisheries and Oceans): Very briefly, I'll give a little background on the marine navigation services fee. It's a fee meant to partially recover the cost of providing short-range navigation and marine communications and traffic services. It's assessed on all vessels operating in Canadian waters with the exception of fishing vessels, government ships, and pleasure craft, as defined by the fees schedule. It was established to recover \$27.7 million annually of the cost of delivering the marine navigation services fees. It is not directly linked to the full cost of coast guard providing these services.

In addition, there's an ice-breaking services fee. This fee is meant to partially recover the cost of providing ice-breaking route assistance, ice routing and information services, and harbour break-outs. It applies to all vessel transits to and from ports located in three ice zones during the ice seasons. The zones do not include the Arctic area. The zones are the northeast coast of Newfoundland, Lake Ontario, and waters and estuaries of the Great Lakes, St. Lawrence River, and the Gulf of St. Lawrence.

The Oceans Act, section 47, provides the Minister of Fisheries and Oceans with the authority to fix fees. A fee schedule was published in the *Canada Gazette* on October 17, 1998, and a fee schedule for the ice-breaking fee was published in the *Canada Gazette* on January 16, 1999. The application and the setting of fees was and remains the subject of continuous extensive stakeholder consultation. There are no other levels of government involved in the application and collection of the marine services fees. There are a number of exemptions that are described in the application portion of the fee schedule. As I said, the ice-breaking fee does not apply in the Arctic and the marine navigation services fees are not payable for ships operating exclusively in Canadian waters north of 60 degrees latitude or exclusively between remote locations as defined in the Income Tax Act.

I would say there is absolutely no linkage between Bill C-3 and the marine services fees, which are in place to provide for partial recovery of the cost of providing certain coast guard operational services and programs. In our view, transferring the authority to set

and collect marine services fees from DFO to TC would not change the need for fees, nor the impact on those who pay them. The ongoing need to collect fees to partially offset coast guard's cost will continue, and additional administrative burden to transfer funds from TC to DFO CCG would arise if this suggested change were implemented.

In closing, I would simply state that we are in constant contact with our stakeholders. Very recently the minister wrote to one of the persons who had sent a note to this committee indicating, please deal with our Arctic Marine Advisory Board, make your concerns known, and let us know if you have a proposal for an amendment to the fee schedule. So we're working hard at it, and we do not see linkage between these bills.

The Chair: Please go ahead, Mr. Nicholson.

Hon. Rob Nicholson: Mr. Gadula, thank you very much for that information. Obviously we still have a bit of a problem here if this group is contacting us and raising some concerns, it seems to me at this point. I wonder if you could indicate whether you can give an undertaking to contact these people and further explore if there are any continuing problems they believe they have. We're in the business of trying to accommodate people's interests. Would you be in a position to contact this group and take up these concerns?

• (1545)

Mr. Charles Gadula: I'd have to look at all of the letters and groups. The minister has directly contacted Mr. Tom Keane—I believe that's his name, but I'm not sure. He is the chairman of the Arctic Marine Advisory Board and has written back. In addition, the minister has written to Suzanne Paquin, president of Transport Nanuk, and asked her to use that Arctic Marine Advisory Council so we could look at what the problems are and seek common solutions.

The Chair: Mr. Bonin, did you have a question?

Mr. Raymond Bonin: Mr. Chairman, I read this quickly, and the concern seems to be about the fisheries department setting the fees. We don't have the power at this committee to take away the responsibility of another department. So if they come here to plead a case that the fisheries department no longer set the fees and that someone else would, I don't think that's something we can resolve here. I may be wrong.

The Chair: I'm just going to ask the question, then, having heard from Mr. Gadula and having regard to his response, can we now proceed to clause-by-clause consideration of Bill C-3?

Mr. Nicholson.

Hon. Rob Nicholson: I don't mind, and I accept what Mr. Bonin is saying, that it might be more properly directed toward the Standing Committee on Fisheries and Oceans. I just want part of it to be on the record, that I happen to disagree with the parliamentary secretary. He said that to receive a letter at this date was disrespectful and that it was an attempt to hold us hostage. I want to make it clear that anybody at any time can contact members of this committee or members of Parliament. I know that I and members of my party don't treat it as something that is either disrespectful or an attempt to hold us hostage from doing our duty. I think they should all be considered, even if they come in at a late date.

I wanted to make that very clear, Mr. Chairman.

The Chair: Thank you.

Ms. Desjarlais.

Mrs. Bev Desjarlais (Churchill, NDP): I have to admit, Mr. Chair, that after our meeting last week I was of the impression that we were going to make an attempt to have representatives of the Nunavut government appear. I understand they weren't able to do that or that it wouldn't happen until January.

But when we followed up as to what our plan was going to be in the upcoming days, part of the plan was not to get on to the clause-by-clause right now. So I was a bit surprised that we were actually dealing with clause-by-clause today, after believing we had agreement at our committee that it would wait until January, or until after we've heard from the government—but not necessarily till January.

So I'm surprised there was no discussion with the other members of the committee about changing the plans.

The Chair: Ms. Desjarlais, I'll just point out to you that the Government of Nunavut has written and said they decline to appear.

Mrs. Bev Desjarlais: Okay, I didn't hear that part.

The Chair: And it's only for that reason.

You are correct, we were going to wait to hear from them, but they've declined to appear now.

Having regard to all that's been said, then, can we now proceed to clause-by-clause consideration of this bill?

Some hon. members: Agreed.

The Chair: Thank you.

First, Ms. Desjarlais has presented to the committee a number of amendments. There are 16 in total, I believe, and you have copies of them. After consultation—though I hesitate to use that word—or discussions with the procedural people, I am required to tell you that these motions are out of order. These motions are all consequential to each other and are beyond the scope of the bill as agreed to at second reading, that is to say, they would turn parts of this bill into a bill that is under the purview of the Minister of the Environment. There is also some interest, at a procedural level, that it would in fact require the expenditure of moneys, which would have required this bill to have come with a royal recommendation.

Based on those points, I'm advised that these are all out of order.

• (1550)

Mrs. Bev Desjarlais: Just on that question, I acknowledge that may be the case. I gave my indication as to...after witnesses appear and what the reasoning was with changing who the reporting measure would be to.

I'm curious where the cost would be incurred as a result of these changes.

The Chair: Now you're asking me a very technical question, and I can't answer that offhand, but I will certainly undertake to provide you with the answer to that. But having said so, that was the weak end of the argument; the very strong end of the argument was that this was in fact taking it out of the realm of the Department of Transport and putting it into the realm of the Department of Environment.

Mrs. Bev Desjarlais: It definitely was doing that.

The Chair: Thank you for that question.

If we move to clause-by-clause consideration, I will call the question: shall clause 1 carry?

(Clause 1 agreed to on division)

(Clause 2 agreed to on division)

Mr. Raymond Bonin: Colleagues, is there a problem if I move that they all be carried on division?

The Chair: I'm asking if I can just put the question; I'm seeking unanimous consent to put a motion to carry them all on division.

Some hon. members: Agreed.

(Clauses 3 to 37 inclusive agreed to on division)

The Chair: Shall the title carry?

Some hon. members: Agreed.

The Chair: Shall I report the bill to the House?

Some hon. members: Agreed.

The Chair: That is it.

We thank our witnesses for what I believe is their third appearance here. For a little bill, it took a little bit of time, but that's good.

I thank you for coming today.

Mr. Raymond Bonin: I move that we adjourn.

The Chair: We have other work; we're not adjourning, sorry.

Mr. Karygiannis.

Hon. Jim Karygiannis: Mr. Chair, for procedural purposes—and I'm sure that if you were to ask the steering committee or were to ask the rest of us—should we need to make any amendments in the future, there's got to be a timeline if we want to call witnesses. We're this far in the game, so I think we should somehow have a procedure that we say witnesses don't come in at this stage of the game, as it's over and done with, in order to respect the work we do, as well as the members, in order to be able to....

The Chair: You can create a rule. This is just my view, but as I understand the powers of a committee, you cannot constrain a committee with rules as to when witnesses will appear.

Mr. Raymond Bonin: The answer to that is that the agenda is published; it's too late.

The Chair: Ms. Desjarlais.

Mrs. Bev Desjarlais: Just on that, I want it to be really clear that I don't believe it was the intention of any members of this committee not to have witnesses appear or to put a blockade in front of witnesses who wanted to appear.

As a committee member, I feel that by making an effort to push this bill through in a timely manner, we have actually jeopardized the opportunity of witnesses to have appeared. It seems to be taking that kind of a process, and I just want to put it on the record that I will no longer, in any way, shape, or form, hurry a process if it means that witnesses are going to be restricted.

The Chair: Yes. thank you.

Georges.

The Clerk of the Committee (Mr. Georges Etoke): We could move to the next stage, which is in camera, Mr. Chair.

The Chair: Okay.

We're going to move in camera in a minute, so we'll suspend the meeting for about three minutes and ask all of those who shouldn't be here to leave.

[Proceedings continue in camera]

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