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# Standing Committee on Industry, Science and Technology

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**Thursday, March 24, 2011**

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**Chair**

**Mr. David Sweet**



## Standing Committee on Industry, Science and Technology

Thursday, March 24, 2011

• (1530)

[English]

**The Chair (Mr. David Sweet (Ancaster—Dundas—Flamborough—Westdale, CPC)):** I call the meeting to order.

Welcome to the 63rd meeting of the Standing Committee on Industry, Science and Technology.

We have some motions we're going to deal with, but it seems there's agreement to go ahead with Ms. Sandy Walker, who is the only member of our first panel. As was casually discussed before the meeting, our witness from the C.D. Howe Institute will not be joining us today.

Sandy Walker is a partner of Fraser Milner Casgrain. Ms. Walker, we will begin with your opening remarks for five minutes and then we'll have a rotation of questions.

Please begin at your pleasure.

**Ms. Sandy Walker (Partner, Fraser Milner Casgrain LLP, As an Individual):** Thank you, Mr. Chair and honourable members.

My name is Sandy Walker. I am a partner in the competition foreign investment group at Fraser Milner Casgrain in Toronto. I am the past chair of the foreign investment review committee of the Canadian Bar Association and I have been dispensing foreign investment advice for the last 15 years.

I am here today at the invitation of the committee and I am speaking in my personal capacity. In my limited time, I would like to focus primarily on the need for predictability and transparency in the Investment Canada Act, which I'm going to call the ICA. Time permitting, I will also touch on the issue of compliance with undertakings.

When foreign investors are considering an investment in Canada, they need to understand the rules. If the rules are clear, investors can plan their investments accordingly. As you have no doubt heard over the course of these hearings, there are a number of aspects of the ICA that generate uncertainty for investors. For example, the net benefit to Canada criteria set out in section 20 are very broad and can be interpreted flexibly. While this latitude permits the minister to review investments on a case-by-case basis, too much latitude can introduce uncertainty, detract from predictability, increase the risk to the investor and the Canadian business, and may well discourage investment that is beneficial to Canada.

Uncertainty in the application of the ICA can be reduced in a number of ways.

First, issue ministerial decisions on transactions. The 2009 amendments to the ICA require the minister to issue reasons when the minister turns down an investment. However, reasons are not required if the minister approves an investment or if the investor withdraws its application, even if the investor withdrew the application because the minister initially rejected the investment, as appears to have occurred with respect to the Potash Corporation case. The issuance of reasons in all cases would help establish a body of decision-making that would help foreign investors understand the rules for investing in Canada and would also give the public an appreciation of why the investment is good for Canada. Such decisions would, of course, need to be sanitized of competitively sensitive information.

Second, to reduce uncertainty we should be developing and publishing a body of opinions on the interpretation of the Investment Canada Act. Some transactions raise difficult interpretation issues. For example, should an investment of a Canadian in a Canadian-listed company with no Canadian assets that generate revenue—basically the company just has a mine in Chile or Kazakhstan—be subject to the Investment Canada Act?

The minister is currently able to provide opinions under section 37 of the act, but does so infrequently. Opinions are important because they ensure careful consideration and consistency in the interpretation of the act. Making these opinions available in summary form would assist in developing greater certainty and transparency, but in order for the opinion process to be used more regularly, opinions would need to be provided on an expedited basis. Forty-five days, which is the maximum time period allowed under the act, is too long. Transactions often proceed on a much faster track.

Third, issue more guidelines and interpretation notes. Given the wide discretion the minister has under the Investment Canada Act, more guidance on how Industry Canada views the section 20 factors would be useful. The net benefit test will never be black and white, because many of the section 20 factors are not quantifiable, but guidelines could clarify government policy in certain cases. For example, the PotashCorp decision raises the question of whether the government considers certain industries to be so critical—so key or strategic—to Canada's economy that foreign investments in them will not be considered or will merit intense scrutiny. Conversely, if this is not the case, investors should know.

Guidance would also be useful in respect of national security. There is no definition of national security, which I completely understand, but it would be helpful to see some illustrative examples of the types of transactions that would be considered injurious to Canada's national security.

• (1535)

I'll touch briefly on compliance with undertakings. I think there's a lot of public skepticism about foreign investors living up to their undertakings and I believe in some cases this may relate to a lack of understanding about the nature of undertakings. They are commitments made to the Canadian government based on projected circumstances, and if those circumstances diverge widely from reality through no fault of the investor, Industry Canada recognizes this by either not holding the investor accountable or accepting a new undertaking.

In other words, there's a kind of *force majeure* or escape clause for foreign investors, as in most commercial contracts. This is justifiable, because the Canadian business could become uneconomic if the investor is forced during a recession to live up to commitments made in good faith during a boom period.

If there is disagreement between the government and the investor as to the validity of the reason for the non-compliance, it may make sense to bring in a third-party arbiter to determine if it is appropriate to release the investor from its obligations. Litigation is currently the only means of resolving disputes between the investor and the government, and that is a long-drawn-out and costly process.

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

Now we'll move on to questions. Our first round is seven minutes, so we'll go over to Madam Coady for seven minutes.

**Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.):** Thank you very much.

Thank you, Ms. Walker, for lending your expertise to us this afternoon and for all the great work you've done on this issue. We certainly appreciate it.

There are a number of questions and I have a lot to get through, so forgive me: I'm not skipping over predictability and transparency, but I want to back up a tiny little bit.

**Ms. Sandy Walker:** Sure.

**Ms. Siobhan Coady:** I think we've got a good picture, and you've given us some really good explanations and requirements.

I want to go back to the Budget Implementation Act of 2009, if I may, and some of the Wilson report's recommendations that were included in the 2009 report, mostly around what I'm going to call the threshold. You understand the review threshold for investments.

• (1540)

**Ms. Sandy Walker:** Yes.

**Ms. Siobhan Coady:** They were supposed to change from \$312 million in book value to \$1 billion in enterprise value, and we haven't been able to move that forward. I think you wrote last year, in September 2010, in a report called "Recent Developments in Foreign Investment Review in Canada: Much Fanfare... Much Furor... Much Ado about Nothing?"—

**Ms. Sandy Walker:** That was before PotashCorp.

**Ms. Siobhan Coady:** Okay, perfect. On the reasons for the government delays in regulations around the higher enterprise value, could you elaborate on why the government's delay in implementing

the new threshold isn't clear? Do you know what's happening at that end? How much more quickly can we move forward?

**Ms. Sandy Walker:** The amendments were brought in March 2009. There were draft regulations issued in the first week of July 2009. I was chair of the foreign investment review committee at the time, and the CBA provided comments by the deadline, which I think was August 31, 2009. I understand it went back to the government, and nothing has really happened since. I can't provide you with an explanation as to why.

**Ms. Siobhan Coady:** Is this a source of uncertainty for investors and the legal community? How much of a concern is this? They know the threshold is moving. Is it again around the whole issue of predictability?

**Ms. Sandy Walker:** When our clients come to us, we tell them it's the book value of assets. It's \$312 million. At some point in the future it may go up, but we don't know when.

My own feeling is that we don't need to worry that much about it because we will probably be given another draft to look at prior to finalization of the regulations, so I think we'll have enough advance notice, but it does seem unusual to me that it has taken this long. There may be reasons.

**Ms. Siobhan Coady:** Are there any recommendations you'd like to make to this committee on defining "enterprise value"? There seem to be a lot of issues around the definition of "enterprise value".

**Ms. Sandy Walker:** Yes.

**Ms. Siobhan Coady:** Industry Canada told us that there's a delay due to the consultations on how to define it. When Industry Canada came to the committee, that was their reason for the delay.

**Ms. Sandy Walker:** Well, I can't explain the length of the delay. I do understand the issues. There are issues relating to defining "enterprise value" that were pointed out in our CBA submission in August. I think the government thought there was some merit to those concerns. "Enterprise value" could be defined as the purchase price—the Wilson report defined it in relation to purchase price—and it could also be defined in relation to market capitalization.

Those options are there. The choice has to be made, and I guess it just hasn't been done yet.

**Ms. Siobhan Coady:** You spoke about the Wilson report. The Wilson report made very clear recommendations to enhance transparency and predictability, which is how you started your discourse this afternoon. As an example, one recommendation was to increase the use of guidelines and other advisory materials, but those recommendations haven't been implemented at this point, nor were they raised under the context of the Budget Implementation Act when other issues were raised around this. Would you encourage—

**Ms. Sandy Walker:** I should say Heritage Canada has put out a draft on their book publishing policy. That is going on, but I'm not aware of any Industry Canada initiatives.

**Ms. Siobhan Coady:** Would you encourage the government to implement specific recommendations of the Wilson report? You made some very good recommendations here as well this afternoon. Are there others we should do that you're aware of?

**Ms. Sandy Walker:** I don't believe the Wilson report made a distinction between decisions to approve transactions and decisions to disallow transactions. The 2009 amendments only require reasons with respect to the disallowance of a transaction. We don't actually have reasons for the PotashCorp decision, because the applicant withdrew its application, so we're left without any guidance on that.

**Ms. Siobhan Coady:** Speaking about guidance, in the 2009 Budget Implementation Act, there was this requirement for a new annual report that Industry Canada must provide to the minister on the administration of the ICA. Now, we have yet to see such a report. That aside, you're a practitioner in the foreign investment field. What sort of information details should be contained in the annual report? What would you like to see?

**Ms. Sandy Walker:** What would I like to see?

**Ms. Siobhan Coady:** Yes.

**Ms. Sandy Walker:** Well, I'd like to see what I've pointed out here. I'd like to see explanations for why transactions were approved or disapproved, particularly why—

**Ms. Siobhan Coady:** In detail.

**Ms. Sandy Walker:** I'd like to see explanations that do not give away confidential information—we have to be very sensitive to that—but ones that provide some guidance, so that we don't have to rely on broad statements made in the media about why certain decisions were made, because that's a source of concern for investors.

**Ms. Siobhan Coady:** One of the things you talked about was the need for understanding both the rules and the reasoning. How would investors use this report, when we get to having one, and how would Canadians? Is this a tool for people who are entering Canada thinking about foreign investment, as well as giving you some guidelines to encourage people who want to come—

• (1545)

**Ms. Sandy Walker:** Generally foreign investors look to people who are involved in the area, so it would help to give counsellors—foreign investment lawyers—the information they need to quell any anxiety that an investor might have that a transaction or investment they are about to make would be halted for any reason.

**The Chair:** That pretty well sums up all the time, Madam Coady.

**Ms. Siobhan Coady:** Thank you.

**The Chair:** We'll go on to the Bloc Québécois.

Monsieur Bouchard, *vous disposez de sept minutes.*

[Translation]

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

Good afternoon, Ms. Walker.

My first question is simply about the approval. Since 1985, there has been a single...

[English]

**Ms. Sandy Walker:** Can I interrupt for one minute? I don't have translation. I actually can, probably, but I may not perfectly understand...

**The Chair:** We'll stop the time.

[Translation]

**Mr. Robert Bouchard:** Can you hear me?

[English]

**Ms. Sandy Walker:** Yes, I'm going to put it up a little bit.

[Translation]

**Mr. Robert Bouchard:** The act has been in place since 1985. Do you not find it surprising that, since then, there has been only one case where a minister has opposed the transaction? Does it not seem surprising to you that there has been a single case, when there have been a number of proposals to acquire Canadian companies?

[English]

**Ms. Sandy Walker:** The investment review process requires that the investor go through a back-and-forth discussion with the government, figuring out what commitments they will make to the government. Through that process the investor is making its case for why the investment is good for Canada.

It's not as if the act has done nothing. You don't need a prohibition of a transaction in order to increase benefit to Canada. In a way it might be surprising, looking at bald numbers, but considering the fact that the investor goes through this process and gives undertakings to the government, I don't think it's incredibly surprising. In the cultural sector, investors have decided not to proceed with the transaction because they know the government won't allow it, etc.

[Translation]

**Mr. Robert Bouchard:** I understand that you aren't surprised.

As far as the minister's refusal in the case of potash, do you think this will have an impact or send out a message to foreign investors that may want to acquire Canadian companies?

[English]

**Ms. Sandy Walker:** There was also the MDA-ATK deal that was refused in 2008, but I think the PotashCorp decision was surprising for the foreign investment community. It wasn't expected within the bar that I practise in with Investment Canada practitioners.

On the other hand, when I describe that transaction to my clients and in discussions with colleagues, we are able to see that in some ways it may be the exceptional transaction. It may not indicate that the government intends to make a lot of additional refusals, but it's a wake-up call telling you that you have to take Investment Canada seriously. If you want to get your transaction through, you have to do it properly. You have to pay attention to lots of different angles, economic angles, and you have to look at who the stakeholders are in the process and get them on your side.

• (1550)

[Translation]

**Mr. Robert Bouchard:** So we can say that the negotiations take place in private between the minister and the company in each case. Once the minister approves the transaction, what happens with the follow-up? I'm sure conditions have been set and noted, right? Can you comment on follow-up and application over the years?

[English]

**Ms. Sandy Walker:** The follow-up process involves a monitoring process. I think you've heard from other Industry Canada officials that there's a review process that usually occurs at the 18-month mark; it may also occur at the three-year mark for three-year undertakings, so there is ongoing monitoring. A lot of the times undertakings have a notice provision whereby you have to give advance notice to Industry Canada if you intend to implement a decision that may be non-compliant with undertakings.

[Translation]

**Mr. Robert Bouchard:** Do you think there should be more transparency? When the minister or the department negotiates or discusses with the company wanting to acquire Canadian interests, should there be more transparency? Should the public and the workers be given more information?

[English]

**Ms. Sandy Walker:** After the undertakings are negotiated and the deal has been approved, in a lot of cases, particularly high-profile cases, there will be the issuance of a press release that will contain a high-level summary of the undertakings. The question is, what level of detail do you provide? You can't provide so much detail that you'll actually put competitively sensitive information out in the public arena, so you have to be careful about that.

**The Chair:** You have forty seconds.

[Translation]

**Mr. Robert Bouchard:** I thought you said that you thought a time limit of 45 days with an extension of 30 days was a little too long. What timeline would you suggest, a month?

[English]

**Ms. Sandy Walker:** The 45 days I was referring to was the period of time within which the minister issues an opinion under the act. An opinion is not a decision; an opinion relates to an interpretation issue, such as what the Investment Canada Act covers, because there have been inconsistencies in how Industry Canada has interpreted that over the years. I was referring to ministerial written opinions in response to a request for an interpretation of the act and how it applies to a particular transaction.

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

*Merci beaucoup, monsieur Bouchard.*

We now go to Mr. Wallace for seven minutes.

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

I want to thank our witness for being here today.

I have just a few questions. Your law firm was not involved with the Potash Corporation deal, or was it?

**Ms. Sandy Walker:** No.

**Mr. Mike Wallace:** They were not.

Approximately how many clients would you say you've advised over the years, since you've been in this business?

**Ms. Sandy Walker:** Do you mean on the Investment Canada Act?

**Mr. Mike Wallace:** Yes.

**Ms. Sandy Walker:** I don't know; it's over 100.

**Mr. Mike Wallace:** Okay, that's plenty.

**Ms. Sandy Walker:** There have been a lot.

**Mr. Mike Wallace:** Good. Okay.

When you act for foreign investment here, do you normally act for the receiving company or for those who are wanting to come here?

• (1555)

**Ms. Sandy Walker:** I act for both.

**Mr. Mike Wallace:** You act for both.

**Ms. Sandy Walker:** But under the Investment Canada Act, it's the purchaser's responsibility to go through the process, so you are way more involved if you are the purchaser's counsel.

**Mr. Mike Wallace:** Okay. How do we compare—if you know—to other countries in terms of foreign investment processes?

**Ms. Sandy Walker:** Well, we have this general framework. Other countries have national security as a screening mechanism. I don't know if you read in the paper today, but Italy is standing in the way of Parmalat being bought by a foreign, I think French, company. If you look in the books—not meaning the financial statements, but the laws—of a lot of these countries, they may not have a general framework law as we have in Canada and as they also have in Australia. I know I looked at French law one time, and there were something like 11 sectors that were considered strategic or special, etc., so to a certain extent we may have gotten a bit of a bad name—the Wilson report picked up on this—because we have this general framework legislation, but review occurs only for investments above a certain threshold.

**Mr. Mike Wallace:** If we could use PotashCorp as an example, would you have preferred that the minister be able to have more flexibility in telling the Canadian public why the decisions were made? Since they withdrew, should it still be the responsibility of the minister to comment on why they withdrew?

**Ms. Sandy Walker:** Well, if you read their press release—and I had to write a paper recently on this, so I actually bothered to read their press release—it's quite clear that they withdrew because they didn't think they could get it through the Investment Canada process. In that sort of situation, I think it's very helpful to other foreign investors to understand the reasons behind the decision.

**Mr. Mike Wallace:** So you'd be in favour of some more flexibility and of the minister being able to speak to those issues?

**Ms. Sandy Walker:** Yes. I think the minister—

**Mr. Mike Wallace:** Does the act now prevent the minister from speaking?

**Ms. Sandy Walker:** The minister is never able to relay confidential information.

**Mr. Mike Wallace:** Right. Of course.

**Ms. Sandy Walker:** However, I don't think the minister is prevented. The minister may issue a decision in relation to an approval and is required to issue decisions in relation to a disapproval, a rejection. I'm not sure, and I haven't actually studied that particular sentence, but there may be a bit of a gap there on the issue of a withdrawal of the application. I think that in any event, it still would have been helpful to hear. I think the minister would probably be quite capable of providing some reasons.

**Mr. Mike Wallace:** One of the reasons we like to have witnesses like you is that you are practitioners in the everyday activity in this piece. Do you, as a law firm or legal adviser, have a definition or set of criteria that define what "net benefit to Canada" is, one that you express to your potential clients?

**Ms. Sandy Walker:** Yes. I've been through the process enough to have a good idea of what the factors will be and how they will be considered. Absolutely.

**Mr. Mike Wallace:** Would you share them with us?

**Ms. Sandy Walker:** Sure. I can tell you off the top of my head the ones in section 20, but I'd say the hit parade would be the participation of Canadians and senior management, head office location, capital expenditures, employment levels, any technology transfer, and that sort of thing. Those would be some of the big ones.

**Mr. Mike Wallace:** Are there any political criteria that you apply to...?

**Ms. Sandy Walker:** There's a section in there that refers to national and industrial and economic policies of the federal government or the provincial government; of course, it doesn't say political considerations.

**Mr. Mike Wallace:** What is the role of the provinces in the current legislation? Do you see a need for that to change? Do you like it the way it is? I don't know what the actual role is.

We certainly heard from the Premier of Saskatchewan during the PotashCorp issue, but I'm not sure what the role of the province is, and I'd be happy to hear—

**Ms. Sandy Walker:** When making the decision, the federal minister has to take provincial policies into account. It's in the act. I'm not within the federal government, but from what I understand, the people within the investment review division at Industry Canada seek the views of their counterparts in relevant provincial departments. For example, if it's an energy deal, they might speak to the energy department in the Province of Alberta. There's already that consultation.

Do I think there should be joint decision-making by the provinces in which the assets are located and the federal government? I think it's a federal government jurisdictional issue, although I've heard arguments about the provinces having power over energy resources, natural resources, etc.

• (1600)

**Mr. Mike Wallace:** Maybe I misunderstood what you said, but based on the current act, I would interpret it that compared to what other countries are doing, we're fairly flexible and maybe don't have as many legislative barriers in terms of sectors that you can't touch, and so on.

Does that not make Canada a more open location for foreign investment?

**Ms. Sandy Walker:** I don't know that I said they were.... What I said was that the Investment Canada Act looks like general framework legislation, and it may look more daunting than that of some other countries that may look carefully at specific sectors. Despite the Investment Canada Act, I think Canada has generally been viewed by foreign investors as a fairly open place, but there have been these hiccups along the way. When foreign investors see that, they wonder what's going to happen next.

**Mr. Mike Wallace:** Thank you very much.

Thank you, Mr. Chair.

**The Chair:** Thank you, Mr. Wallace and Madam Walker.

Mr. Masse, I see you there as a regular member, but I understand that Mr. Gravelle has signed in.

Mr. Gravelle, you have seven minutes.

**Mr. Claude Gravelle (Nickel Belt, NDP):** Thank you, Mr. Chair.

In your opening statement you used the word "transparency" quite a bit. Do you think that when a foreign company is taking over a Canadian company, they should be transparent with the communities in which they are buying this Canadian company? Do you think they should be transparent with the workers and with all the other industry people involved?

**Ms. Sandy Walker:** In what specific sense do you mean transparent?

**Mr. Claude Gravelle:** I mean in telling us what their plans are for the future and for the workers. In the case of a mine, it would be how they are going to develop future mines.

**Ms. Sandy Walker:** I think it's up to the company, as opposed to having the government dictate how the company addresses it. In certain instances you may have transparency. For a public company, for example—

**Mr. Claude Gravelle:** If you know of any foreign companies that have been transparent in the process, could you supply us with a list of them? We certainly don't know of any that have been transparent in the past.

**Ms. Sandy Walker:** As I said before, I think you may find the extent of the transparency in press releases that were issued by the government or in the company press releases related to it, and in some cases they don't provide much detail.

**Mr. Claude Gravelle:** Presently only the industry minister is involved with the negotiations with a foreign company that is taking over a Canadian company. Do you think it would be the right thing to get this industry committee involved in negotiations? Without telling us the trade secrets, would it not be better if we had all these elected officials helping to make this a good decision for the country?

**Ms. Sandy Walker:** Probably not; I think you need to—

**Mr. Claude Gravelle:** So we're useless, then?

**Ms. Sandy Walker:** No, but I think this is a decision of the minister, and it might well slow down the process, which already takes quite a long time.

**Mr. Claude Gravelle:** So you don't think elected officials could help the minister make a good, sound decision?

**Ms. Sandy Walker:** Well, maybe in theory they could, but I think it might lengthen the process. Also, there is a consultation process with the provinces provided for in the act, and someone with a view on a particular transaction can make submissions, as we saw in the matter of the PotashCorp decision. There were lots of opinions about that transaction that people were able to communicate to the government.

**Mr. Claude Gravelle:** Transparency in that case is just a one-way street; it doesn't work both ways. The company doesn't have to be transparent with the minister, and they don't have to be transparent with the communities. They don't have to be transparent with this committee—

• (1605)

**Ms. Sandy Walker:** No, I'm sorry; the company in negotiations with the government does have to indicate what their plans are, etc. There is transparency there. There has to be; otherwise, you can't arrive at plans and undertakings.

**Mr. Claude Gravelle:** You said a while ago that you were surprised that the Potash Corporation takeover was rejected, but if the shoe had been on the other foot and PotashCorp were buying BHP Billiton from Australia, that would have been rejected outright.

**Ms. Sandy Walker:** That's what some people say.

**Mr. Claude Gravelle:** In the case of Inco and Vale, when Vale purchased Inco, if the shoe had been on the other foot, Inco would have been rejected outright. You can't buy there.

**Ms. Sandy Walker:** That's right.

**Mr. Claude Gravelle:** So why is Canada different? Why are we different? Why do we let these companies come into our communities and rape our natural resources, when we can't even purchase some of their natural resources or their companies?

**Ms. Sandy Walker:** I recognize the inequity when there is lack of reciprocity. On the other hand, the argument used with respect to international trade issues is that if you start closing down and saying you're not open except for A, B, and C, ultimately that is going to result in a—

**Mr. Claude Gravelle:** But the other countries are not open.

**Ms. Sandy Walker:** Well, I think we'd probably have trouble investing in many sectors in China as well, but that doesn't mean that Chinese investment in Canada is not beneficial.

**Mr. Claude Gravelle:** We're not talking about a Communist country here; we're talking about Australia and Brazil. Why can they invest in our country, but we can't invest in theirs?

**Ms. Sandy Walker:** That's something that can be negotiated bilaterally between the countries. I'm not sure that using an individual transaction is the best way to go about it.

**Mr. Claude Gravelle:** We have a couple of companies right now in my riding of Nickel Belt that are foreign companies. They're two mining companies. One is called Xstrata, and they're presently high-grading. Do you know what high-grading is in the mines?

**Ms. Sandy Walker:** It's taking off the good stuff.

**Mr. Claude Gravelle:** It's taking all the good stuff.

Their mining resources were owned by Falconbridge, who would mix the good stuff with the bad stuff and take everything out, and the end product was even better than just high-grading.

Xstrata is doing that now. They've closed down some low-grade mines and they're just taking the cream of the crop, the high-grade. When there's no more high-grading, two things could happen: either they're just going to pack up and leave or they're going to come to the government with their hand out for grants to help them extract the lower-grade ore.

Do you think that's right? Do you think that the Canadian public should pay to extract low-grade ore that should have been taken at the same time they were taking the cream of the crop?

**Ms. Sandy Walker:** I can't comment on the reasons for their doing it and what their long-term plan is—

**Mr. Claude Gravelle:** It's profits.

**Ms. Sandy Walker:** It's a difficult question for me to answer without knowing all the facts. The way you've described it, it certainly sounds bad.

**Mr. Claude Gravelle:** So you agree with me, then?

**Ms. Sandy Walker:** I just don't know that I have the knowledge base to agree with you.

**Mr. Claude Gravelle:** Well, if you're removing the cream off the milk, it's not very good milk, is it?

**Ms. Sandy Walker:** Well, I don't know, but if any company is doing that and is then planning to sell the company in the future, presumably the company will be worth less if all they've got left is the low-grade stuff.

I can't comment on it in any particular—

**Mr. Claude Gravelle:** It would be almost worthless, so they could pack up and go.

**Ms. Sandy Walker:** Presumably they also want to preserve the value of the asset in order to get the highest value for it when they sell it.

**The Chair:** Thank you, Mr. Gravelle and Madam Walker. That has used up the time.

Now we'll go back to the Liberal Party for five minutes.

Go ahead, Mr. Rota.

**Mr. Anthony Rota (Nipissing—Timiskaming, Lib.):** Thank you, Mr. Chair.

I'll start, and then I'll split my time with my colleague Mr. McTeague.

Thank you, Ms. Walker. I'm going to continue a bit on what Mr. Gravelle was talking about.

One term that I'm hearing much more from people—not at a high level, but more at ground level—is reciprocity. Do you believe in such a concept? If you do, how would that work? How would we enforce such a concept, or is it impossible to enforce?



**Ms. Sandy Walker:** Reciprocity is a very big question. That's the reason people negotiate investment treaties. The idea is to open all sectors to investment for the two countries involved, or multilaterally as well.

It's probably erroneous to use the Investment Canada Act to stop investments because the other country wouldn't let us into their country. If you shut down investment into Canada, that may actually hurt Canada, whether or not you get access abroad.

• (1610)

**Mr. Anthony Rota:** Very good. That's pretty well what I expected. Thank you for that.

The other issue I want to touch on is non-compliance. When agreements are made, compliance seems to be an issue, partially because the agreements are secret. I can understand that, because there are certain trade secrets that have to be kept, but with regard to non-compliance, are there any amendments or any changes you would make to make it more effective? Again, you have an agreement that's done in secret and you have to enforce it. How would you see the compliance being enforced?

**Ms. Sandy Walker:** Well, they are monitored. The undertakings are monitored by the government. If you trust the government, then you should trust that they will look at these undertakings. You're dealing with Industry Canada. It's not as if you're dealing with the minister's office directly on that sort of thing.

**Mr. Anthony Rota:** "Directly", I think, is the key word, and I guess "trust" is the other one.

**Ms. Sandy Walker:** Well, I can tell you about my own experience. When there has been non-compliance—and I've dealt with situations in which there's been non-compliance through no fault of the investor—then we've worked out alternative undertakings, and we do that in negotiation with Industry Canada.

Then there is the issue with respect to its not being an undertaking made in good faith. I think that's why there's been public skepticism. People say they haven't met their undertakings, and they ask. There's this notion that there may have been undertakings made in bad faith. If that is the case—and I'm not saying that has been the case in any particular transaction—I think the mechanism is there now. With U. S. Steel, they've taken them to court. That hasn't happened before. That's the first time. That's dragging on and on.

One thing—and I think this is in the last paragraph of my presentation—is that maybe there's another way that's a bit faster. Maybe you have a third party arbitrator, as you have in some commercial contracts. When there's disagreement on an issue between the parties, you can put it to third party arbitration.

**Mr. Anthony Rota:** That's where I was going. I was going to ask what you would suggest, but I think that covers it.

I know my colleague Mr. McTeague would like to ask a question, so I'll pass it on.

**The Chair:** You have 30 seconds.

**Hon. Dan McTeague (Pickering—Scarborough East, Lib.):** I'll shift gears. Perhaps this question has been considered, but I'd like to leave it out there for you to consider. Perhaps you could get back to the committee, should it exist after tomorrow, in writing.

It's on the subject of swaps and derivatives driving commodities, driving acquisitions, driving international acquisition of assets. The ebb and flow, as we've seen over the past year and a half, in an unregulated market, is in itself very controversial.

**Ms. Sandy Walker:** Are you talking about commodity cycles?

**Hon. Dan McTeague:** Well, I mean the actions of over-the-counter trades such as we saw in 2007, when we had a frenzy of asset takeovers in Canada, much of it driven by speculation on commodity prices. In our assessment of investments, is this something we have to take into consideration, given that we have very little control over these unregulated markets? Canada, of course, does not want to play a role in this area internationally, but most other nations are involved.

**Ms. Sandy Walker:** I think there's scope within the undertakings to look at what the plans are. What are the long-term plans of the company? They can be three-year or five-year undertakings, and those can take into account certain concerns you might have relating to that.

**The Chair:** Sorry, Mr. McTeague; your time is actually over.

Monsieur G n reux, you have five minutes.

[Translation]

**Mr. Bernard G n reux (Montmagny—L'Islet—Kamouraska—Rivi re-du-Loup, CPC):** Thank you, Mr. Chair.

Thank you, Ms. Walker, for being here today.

Why is it so important for Canada to attract foreign investors? How is it that this is so important?

• (1615)

[English]

**Ms. Sandy Walker:** I'm a lawyer, but I have had some training in economics as well. Foreign investment provides critical capital to develop our resources. Canadian shareholders or shareholders of Canadian companies would be pretty unhappy if the only people who could buy their shares were other Canadians. The value of their shareholdings would certainly be discounted substantially.

[Translation]

**Mr. Bernard G n reux:** So you think it's a good thing.

[English]

**Ms. Sandy Walker:** Yes.

[Translation]

**Mr. Bernard G n reux:** Do you think that the way Canada analyzes all the acquisitions made by foreign companies could be improved? Should we look at how it's done elsewhere? Mr. Gravelle referred earlier to Brazil and Australia, where there are larger—or potentially larger—reserves than in Canada.

Do you think that there are things that some countries in the world—countries that are partnering with Canada more often than not—do that we could introduce or implement here? Could we adopt some of their ways of operating that would improve our processes?

[English]

**Ms. Sandy Walker:** I'm not sure specifically what you are referring to when you refer to the other ways in other countries.

[Translation]

**Mr. Bernard Généreux:** We have a process that allows us to analyze foreign investments or acquisitions. In recent months, the methods that we use have been called into question. They have been called into question to some extent, or they have at least drawn comments, particularly in the case of potash. One of the reasons we are here today to discuss this issue is to determine how we can improve our processes when it comes to these investments. Our government has shown that it is quite open to studying it.

[English]

**Ms. Sandy Walker:** I think one way to improve it would be to offer greater clarity through guidelines guidance, in the form of guidance, interpretation notes, or whatever, so that there's greater clarity on what—

**M. Bernard Généreux:** To foreign companies?

**Ms. Sandy Walker:** Yes. Offer guidance with respect to the Investment Canada Act. I'd say this is how we interpret the section 20 factors, because they are so broad that they could be interpreted very, very widely. One of the ways to reduce uncertainty and enhance predictability and make Canada look more welcome is to explain what we mean when we say something in the act. Do we regard certain sectors as strategic, or don't we? What are the considerations?

The editorial in *The Globe and Mail* today—I think it was today—talked about the reversing of the onus so that the minister can only turn down an investment if it's of net harm to Canada. I don't see that as a radical, revolutionary concept because, really, even if you say they can only turn it down if there's net harm, well, you still have to figure out what's considered of net harm. It's really not a huge shift. There might be a slightly more positive take on that from foreign investors. In reality I haven't thought about that a lot, but I don't think it offers a huge benefit.

If you're going to have foreign investment review, and if that foreign investment review is going to be a broad economic review and not just a national security-based review, then you're going to need to define the elements you're going to look at when you review. I rhymed off a whole bunch of them, but none of those would.... I couldn't tell you why PotashCorp was decided the way it was on the basis of those.

**Mr. Bernard Généreux:** What about public consultation? Do you think it would be important to have some, more broadly, about—

**Ms. Sandy Walker:** If you mean on each transaction as it comes along, I think that would be very difficult to manage time-wise, and to a certain extent that debate already occurs in papers. You hear it through the media, etc. People are free to make submissions to the government.

**Mr. Bernard Généreux:** It's about privacy as well.

**Ms. Sandy Walker:** Of course it is, absolutely.

**Mr. Bernard Généreux:** Thank you very much.

**The Chair:** *Merci beaucoup, monsieur Généreux.*

Madam Walker, thank you very much.

Thank you for mentioning the recourse that could be taken on companies that don't live up to their undertakings. The riding I represent is part of greater Hamilton, and many constituents are affected by U.S. Steel and the lawsuit that is between the federal government and U.S. Steel right now. I appreciate your testimony and your vast experience and I appreciate your coming here today. I understand you travelled from Toronto, so I appreciate that. Now we'll release you, with our great blessing, so you can return there. Thank you very much.

• (1620)

**Ms. Sandy Walker:** Thank you.

**The Chair:** For the rest of the committee, we'll deal with some business right now.

Everybody, I believe, has a copy of Mr. Rota's motion in both official languages. I'll just go ahead with the ruling, Mr. Rota, because I think you'll see why, based on your motion.

As the members are well aware, a committee has an order of reference from the House with regard to Bill C-568, a private member's bill. In the case of private member's bills, the committee has three options available to fulfill its mandate.

Option number one is that the committee may simply ignore the order of reference, and the bill will automatically be deemed reported back to the House without amendment after the prescribed period of sitting days has elapsed. That period is 60 days, with the possibility of a further 30 days if we ask for an extension.

Option number two is that the committee may adopt a motion to not proceed further with the bill. This option sets in motion the elements of Standing Order 97.1(2), a motion to concur, and the report is automatically placed on a notice, debated, and subsequently voted on. If the concurrence motion not to proceed carries, the bill is defeated; if the motion fails, the bill is deemed reported without amendment.

Then we have a third option: the committee may proceed to clause-by-clause consideration of the bill. In this case the committee considers the bill clause by clause, and if necessary word by word, and approves the text or modifies it. Once all of the clauses have been approved, modified, or deleted, the bill in its entirety is submitted for the approval of the committee. After the bill is adopted, the chair asks the committee for leave to report the bill to the House.

The motion of Mr. Rota seeks to empower the committee to skip clause-by-clause consideration of the bill and instruct the chair of the committee to immediately report the bill back to the House without amendment. As *House of Commons Procedure and Practice*, second edition, states on page 762, "Each clause of the bill is a distinct question requiring separate consideration."

In order to properly consider the bill, it will be necessary for the chair to formally put the question on each clause, any possible amendments or subamendments, the title, the bill itself, and the motion seeking leave to report the bill.

Since the motion of Mr. Rota seeks to combine all of these distinct questions into one general motion, it deprives the members of the opportunity to propose amendments and voice their opinions on the separate elements being considered. For these reasons I must rule that the motion is out of order.

You of course have that option, Mr. Rota.

**Hon. Dan McTeague:** Chair, I would respectfully move that this decision is challengeable, and we therefore challenge the chair.

**The Chair:** There has been a challenge to the chair.

**Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC):** Can we debate that?

**The Chair:** No, it's a dilatory motion, so we proceed directly to a vote.

**Mr. Mike Lake:** We'll get a recorded vote.

**Mr. Mike Wallace:** I have a procedural question.

**The Chair:** I think a procedural question is okay in this regard.

**Mr. Mike Wallace:** Am I correct that if a challenge of the chair happens and you're overruled, then we go to the motion? Does it then just go to the House, or is there an option for us to ask the Speaker whether it was appropriate or not?

**The Chair:** If the ruling stands and the motion is declared out of order, then we go back to other business.

**Mr. Mike Wallace:** I think there's a bit of an answer over there from the legal clerk.

**Mr. Mike MacPherson (Legislative Clerk, House of Commons):** You're assuming, then, that the chair's decision would be overturned?

**Mr. Mike Wallace:** Yes.

**Mr. Mike MacPherson:** Should the chair's decision be overruled, the motion would then become debatable and amendable, as with any other motion.

**Mr. Mike Wallace:** And the Speaker doesn't have to rule whether that was—

**Mr. Mike MacPherson:** That would depend on whether or not there were points of order raised in the House.

**Mr. Mike Wallace:** We could raise a point of order in the House.

**An hon. member:** Next week.

**Mr. Mike Wallace:** Why are we doing this if we're not going to be here next week anyway, Anthony? That's my question.

**Mr. Mike Lake:** Maybe Anthony knows something we don't.

I know this is going to take us a few minutes, but could you read the reason you're ruling it out of order one more time? I think it's important.

•(1625)

**The Chair:** In general it's because every clause is a distinct question in and of itself. Going ahead with this motion would

actually take away the right of each member to debate each separate question.

**Mr. Mike Lake:** Could we ask the clerk of the committee if he agrees with that ruling?

**The Clerk of the Committee (Mr. Jean Michel Roy):** Yes.

**Mr. Mike Lake:** Okay. I just wanted to make sure that the clerk agrees with the ruling. We're really overruling the impartial clerk of the committee.

Okay, we'll get a recorded vote, if we could, please.

**The Chair:** Shall the ruling of the chair be sustained?

(Ruling of the chair overturned: nays 6; yeas 5)

**The Chair:** I think that means I'm overruled and that the motion is now back on the floor for debate.

**Mr. Mike Lake:** Maybe we could hear an argument from Mr. Rota as to why he thinks this extraordinary measure is necessary at this point in time.

**The Chair:** I have a feeling he'd want to tell us that, actually.

**Mr. Mike Lake:** I'd be very curious as to why they would show such contempt for the process here and for the impartiality of the clerk's advice to the chair of the committee to immediately pass a bill. It's unprecedented in my experience. Obviously there's something so critically important here that we would break into our study on the Investment Canada Act once again to deal with something like this.

**Mr. Anthony Rota:** The reason is that we have gone through Bill C-568 to some extent. I feel we've come to a conclusion and I think both sides are pretty well content with sending it back to the House. We've confirmed what we believed. If the honourable member would prefer, if the chair would prefer, we could move to clause-by-clause consideration and go through it—

**Mr. Mike Lake:** Absolutely. If we want to, then I'm absolutely—

**The Chair:** Just a minute, Mr. Lake. Let him finish.

**Mr. Anthony Rota:** We could move to clause-by-clause consideration and then send it to the House. I don't see any major changes happening. I just was hoping that we could send it back and not have to worry about going through it, because I think we're all in agreement that it will go back and then be taken care of by the House.

**Mr. Mike Lake:** Mr. Chair, I think we have an agreement. We'll call the officials, and when they can come before us, we'll do clause-by-clause consideration. I don't think that's a problem from our side.

**Mr. Mike Wallace:** If there is an election called on Saturday or whenever, we may not have another committee meeting before an election. Why are we even bothering to do this today? What happens to it if there is an election? It dies. Is that not correct?

**A voice:** Yes, that's correct.

**Mr. Mike Wallace:** Instead of seeing witnesses for our study—witnesses we've seen once every two or three weeks—we're dealing with this today. I don't understand why we're dealing with it today.

**The Chair:** The only reason we're dealing with it today is that Mr. Rota put in a motion, and we have enough time for it to be debated today. That's the only reason I can give you, but if you wanted another reason from Mr. Rota, we could have him answer.

Go ahead, Mr. Lake, and then maybe Mr. Rota would like to speak to that issue.

**Mr. Mike Lake:** Just to reiterate, we've got witnesses who want to appear before us on the ICA, so surely we can call the officials. If they can make it here before 5:30 p.m. and the end of the meeting, we'd be glad to go to clause-by-clause consideration. That would allow us to move directly back to the Investment Canada Act study which is, I think, what we're here for today.

We're amenable to what Mr. Rota proposed.

**The Chair:** Go ahead, Mr. Rota.

**Mr. Mike Lake:** Just for the record, could I...? Okay, forget it.

• (1630)

**The Chair:** Mr. Masse, were you trying to get my attention?

**Mr. Brian Masse:** No, but thank you.

**The Chair:** Does anybody else wish to comment while we're waiting for Mr. Rota?

**Mr. Anthony Rota:** It's too late. You're right. We let you have the debate because we challenged the chair and won that, and I think we have a motion that passed. We challenged the chair and we won, and I think we should—

**Mr. Mike Wallace:** The motion was to sustain the chair, not the motion that—

**Mr. Anthony Rota:** The motion has passed.

**The Chair:** No, the motion hasn't passed.

**Mr. Anthony Rota:** The challenge has.

**Mr. Mike Wallace:** Yes, so we're allowed to debate the motion, since you brought it forward.

**Mr. Mike Lake:** You suggested going clause by clause, and we've said yes. We agree with that. We'll get the officials to come and we'll go clause by clause as per your suggestion.

**Mr. Anthony Rota:** I just suggested that as a possibility. I said if that's where it has to go, that's where it has to go, but we'd prefer it to go back to the House.

**Mr. Mike Lake:** We're fine with that. We'll do clause by clause.

**Mr. Anthony Rota:** I said I'd prefer it to go back to the House.

**Mr. Mike Lake:** You proposed going clause by clause, and we agreed to it.

**Mr. Anthony Rota:** No, no.

**Mr. Mike Lake:** Yes, actually.

**Hon. Dan McTeague:** I may be able to provide some clarity here. There has been a bit of confusion, obviously, with the non-sustaining of the decision of the chair. I think our intention is very clear: we

want this passed at all stages in this committee as an omnibus consideration, as Mr. Rota's motion calls for.

We would ask that the vote now proceed.

**The Chair:** We can only do it if debate is extinguished and—

**Hon. Dan McTeague:** You guys have an hour to talk, so go ahead.

**The Chair:** If there's no more debate, then we'll go to the vote.

Go ahead, Mr. Lake.

**Mr. Mike Lake:** I support Mr. Rota's motion that we go clause by clause. I don't know if we want to work on the wording of the amendment that he proposed, but I definitely support it. I just thought that maybe we could have—

**Hon. Dan McTeague:** I have a point of order.

**Mr. Mike Lake:** Excuse me—

**The Chair:** Go ahead, Mr. McTeague, on a point of order.

**Hon. Dan McTeague:** Chair, for clarity's sake, as Mr. Lake has referred to it, there is no motion by Mr. Rota to go clause by clause.

**Mr. Anthony Rota:** That was part of a discussion, but it was not a motion.

**Mr. Mike Lake:** I'm sorry, Mr. Chair; then I agree with Mr. Rota's suggestion that we go clause by clause and I'd be glad to amend the motion to do such. Maybe we could get a suggestion from the clerk or the researchers on a way to implement Mr. Rota's suggestion that we go clause by clause. Do we want a suggestion on how we might implement Mr. Rota's suggestion?

**The Chair:** Mr. Lake, the fact is that if you want to introduce an amendment on this for the procedure, then that can happen, and we'll debate the amendment. However, if this motion passes after being debated, it will be deemed adopted, because it would be passed by the committee.

**Mr. Mike Lake:** I'll move my amendment, then.

First of all, before I move my amendment, I just want to be clear that there's a normal process for clause-by-clause consideration. We would have a legislative clerk appointed to the committee to do that. You're here right now, so we would just need the officials.

I'll move that we strike the word “immediately” and say that the committee “call Industry officials to the current meeting and report Bill C-568 back to the House”.

Then we'll remove the line “without amendments” and say, “after conducting its clause-by-clause review, as per Mr. Rota's suggestion”.

• (1635)

**The Chair:** We have an amendment on the floor that says, “That the committee call Industry Canada officials to the current meeting and report Bill C-568 back to the House after clause-by-clause consideration, as per Mr. Rota's suggestion”.

Is there debate?

Go ahead, Monsieur Cardin.

[*Translation*]

**Mr. Serge Cardin (Sherbrooke, BQ):** Mr. Chair, the proposed amendment seems a little strange to me. In fact, it completely changes the meaning of the motion. From immediately reporting a bill to a clause-by-clause review.

I would like to know what the clerk or the analyst thinks. The motion is changed completely. We see the same thing in the House. When we try to make amendments that change the meaning of the bill that is presented, it's refused.

It's going to be refused. It changes the motion completely. We are no longer talking about the same thing.

[*English*]

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

We'll go to Mr. Wallace.

**Mr. Mike Wallace:** Mr. Chair, I'll speak in favour of the motion, based on a number of reasons.

First of all, I recall a very active discussion in this committee on the timing of meetings and on having to have meetings with witnesses to discuss this private member's bill, Bill C-568.

I think—and you can correct me if I'm wrong—that a fair number of witnesses have been invited to future meetings, whether they will happen or not, to deal with this particular item so that we can properly debate and discuss each clause. Now, we've only had one meeting, I believe, on this, and that was with some officials and with the mover of the motion—no; it wasn't officials. It was others from the group, but there certainly was debate.

What's very confusing to me is that we have the opposition parties wanting these meetings, setting them up, inviting people to come, and then all of a sudden, with one day left—I don't know who we're kidding here—in this Parliament, they're going to try to move this through all stages, without any discussion and without any further witnesses on the issue. They seem to want it both ways, and then, at the end of the day, we will be reporting back to the House that this has gone through here.

It won't go anywhere. The House will likely fall tomorrow afternoon at around 1:30. We'll go to an election starting on Sunday or Monday, and it will be a non-issue. It's a non-issue for me today.

We made the argument, Mr. Chair, that we needed more meetings with witnesses, such as the ones we have here waiting for us and the witness we had before, to deal with the Investment Canada Act. It was a study requested by the opposition parties, which we agreed to do. We only have to have one meeting this week, one meeting two weeks from now, and one meeting in another week. We need to fill in these other spots.

But all of a sudden, now that they've decided they're going to an election, we don't need those other spots. We don't need to have those meetings. We don't need to have those witnesses or to pass it here. I think it's a shame that in the 11th hour of this Parliament, we're playing these games.

I will be supporting the motion that we get a chance to go through clause-by-clause study, because on this committee and on my finance committee, on the last private members' bills there were a tremendous number of changes during clause by clause. In fact, one bill went to one four- or five-word sentence from one clause. Another one went from 12 or 14 clauses to two clauses. It was at this committee.

I think they're violating my right as a member of Parliament, as they like to say, to discuss those clauses and maybe convince my colleagues to make changes.

Thank you, Mr. Chair.

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

We'll go to Mr. Lake.

**Mr. Mike Lake:** I have just a couple of things.

I really wish the Liberal industry critic were here. He hasn't been able to attend these meetings because he's been so busy with the copyright committee. At least two other of our members on this committee serve on that one as well, but he's been too busy. Of course, we wanted to have more meetings with the copyright committee as well, but members of the opposition—the united opposition—have denied us that opportunity.

We thought that at some point the opposition parties would get together and implode this Parliament—as they have, or as they are about to do tomorrow—and we thought the copyright bill was so important that we needed to get it passed. Witness after witness came before that committee and said the same thing. Because of the games played by the opposition parties, we obviously haven't passed it, but certainly if the Liberal industry critic had been able to sit on the industry committee at this time or over the last few months, perhaps he would have added a different perspective to these proceedings today.

Just as we made the topic of the copyright bill a question of some urgency, we also said right from the start—I think from our first meeting in January after we came back from the break—that the study of the Investment Canada Act should be an absolute priority and that if we were going to be forced into an election by the opposition parties, perhaps it would be productive for our committee to at least get through the Investment Canada Act study and produce a report that might be useful to the next government, the next Parliament, after the election.

Obviously we're not there yet. The argument on the other side was that for some reason there was a real need to have meetings on this census bill, this private member's bill, that we're talking about today, but it turns out that actually we didn't really need any meetings from the opposition side of things because they just want to pass it as is, without even going through the regular clause-by-clause review. It's very, very odd, I must say.

So here we find ourselves. I've heard the suggestion from Mr. Rota. We can go back and take a look at the evidence, but it was a pretty unequivocal suggestion that we move to clause-by-clause consideration.

I agree with Mr. Rota, and thus I've moved my amendment to his original motion to reflect his own suggestion. I would encourage members of all parties to rally behind Mr. Rota and adopt his suggestion as well.

• (1640)

**Mr. Anthony Rota:** I feel like this is a Conservative—oh, sorry.

**The Chair:** Yes, Mr. Rota, I have a speakers list.

Mr. Bouchard, go ahead, and then Mr. Rota.

[*Translation*]

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

I think the amendment moved by Mr. Lake completely changes the meaning of the motion presented by Mr. Rota. I highly doubt that it is in order. At the very least, we'll have to vote. In other words, it's the opposite of Mr. Rota's motion.

We support the bill. Actually, last summer, we talked at great length about the government's position on the change to the census. The bill on the census presented by the Liberal Party puts things in perspective. That's why we support this bill. I don't think we need to proceed with a clause-by-clause review.

I don't think there's anything weird about this, it makes sense, it's a way of moving more quickly. Mr. Lake asked what the point of this is since an election will be called tomorrow or in the next few hours. If an election is called, instead of dying before the clause-by-clause review here, in committee, the bill will die at another stage in the House of Commons. That will show that what was done with respect to this change was done fairly cavalierly. Over the summer, the rules were changed because of a decision by the minister, at the end of June 2010.

I think we're aware of the facts, we know the process inside and out, and we need to proceed and move on to the next stage. This is why we are in favour of Mr. Rota's motion. We are opposed to the amendment that was presented, which proposes a clause-by-clause consideration.

[*English*]

**The Chair:** I was making sure I was procedurally okay.

Go ahead, Mr. Rota, and then Mr. Braid.

**Mr. Anthony Rota:** If I'm not mistaken, if we send the bill back to the House, then I suppose, Mr. Chair, that you would be able to report to the Speaker that you were challenged and defeated. Then the Speaker would take it under advisement and have to rule on it. Am I correct in assuming that? Maybe I can get some clarification.

• (1645)

**The Clerk:** It would be through a point of order in the chamber.

**Mr. Anthony Rota:** So we can send it back as is, if we have the will of the committee, correct? We challenged it and we beat it. The will of the committee has to be respected. We can't be bullied into changing our minds. We know we want to send it over.

**Mr. Mike Lake:** It was your suggestion.

**Mr. Anthony Rota:** Mr. Lake, I'm sorry, but this isn't Conservative advertising, which puts words in people's mouths and then shows them out of context. It was part of a discussion that I

was having after you suggested something. I said it's something we can look at, but it wasn't one of my suggestions, and I don't appreciate your putting words in my mouth.

Mr. Chair, through you, I don't appreciate Mr. Lake's putting words in my mouth.

We can send it back. We can vote, send it over, challenge it, bring it to the Speaker's attention, and take it from there. I think that would be a nice easy way to do it, and we can allow our witnesses to come forward because we really want to hear from them.

**The Chair:** Mr. Rota, thank you.

Before I move on to the next person—Mr. Braid, that is—there was a ruling that was based on the procedures of the House, and you are absolutely correct that it was overruled by the committee, but that has no bearing; it's not germane at all to your motion. That had to do with my ruling. Now we're debating the motion.

There's nothing in the debate here that would be overbearing or bamboozling. It's clearly the debate that the committee has, so—

**Mr. Anthony Rota:** I have a question once you're done. Thank you.

**The Chair:** In consequence, other members have some concerns about it, and they're voicing them. Also, we're actually debating the amendment right now, not the motion. Once we've exhausted the debate on the amendment, we'll go to the main motion again.

Go ahead, Mr. Braid.

**Mr. Peter Braid (Kitchener—Waterloo, CPC):** Thank you, Mr. Chair.

Mr. Chair, I won't ask for the committee to respect process, because that's clearly already been abandoned. What I would suggest—and this is a segue from Mr. Rota—is that we at a minimum respect our study of the ICA and the witnesses who are waiting to provide their valuable testimony to us. I would suggest that we have them come before us right now and that we defer this discussion on the motion until the end of this committee meeting and provide ourselves with whatever allotted period of time we need at the end of the committee to discuss this motion.

We've heard from opposition coalition representatives about how important the study of the ICA is. Ralph Goodale said:

From all sides in this debate about foreign direct investment, there needs to be more clarity about what net benefit means.

And Jack Layton said:

...the Government of Canada should take immediate steps to amend the Investment Canada Act...

Well, let's get to that. Let's have the witnesses here provide their important perspective on this piece of legislation, and let's hear from them now.

I'm moving to defer this discussion on the motion to a time at the end of this committee meeting.

**The Chair:** It's a motion to defer. If you want to defer the....

I would respectfully suggest to all members in the most non-partisan way that I can to either defer it or, if we're going to continue this debate, to please advise me now so that we can respectfully dismiss the witnesses. Give me your best gut feeling on that.

Do you wish to defer, or do you wish to carry on a debate and excuse the witnesses?

**Hon. Dan McTeague:** Chair, I'm very much of the view that the motion presented by Mr. Rota was in order. He satisfied the time requirement. We have followed procedure, Mr. Braid.

I also recognize that there are witnesses here, but the decision is, of course, entirely your party.

On Mr. Lake's motion, we, up until this very minute—with the exception of Mr. Rota, the sponsor of the motion—have not responded, out of interest in ensuring that we get to some kind of a timely vote. If you're interested in getting the witnesses here, then ask the chair to call the question one way or another.

Thank you, Chair.

• (1650)

**Mr. Mike Lake:** Mr. Chair, I will say something.

**The Chair:** Okay, Mr. Lake, go ahead.

**Mr. Mike Lake:** When somebody moves a completely unusual motion like this and goes against the chair and challenges the chair to do something this unprecedented, I would assume that they would assume that it requires some debate. Clearly this unprecedented, incredibly unusual motion and procedural tactic will lend itself to some debate. Please, let's listen to the witnesses on the ICA. Let's move this debate back.

**The Chair:** Well, I don't see any agreement on deferring and I don't see any kind of consensus to dismiss the witnesses, so I have no other choice but to continue the debate.

Go ahead, Mr. Wallace.

**Mr. Mike Wallace:** I'll be very quick, Mr. Chair.

I just want to ask my Bloc friends who spoke earlier what their response would have been on Bill C-501, which we just dealt with here at this committee. There were 14 clauses, I think, or 15 clauses, and two that you agreed with. Because we were able to go clause by clause, you were able to support two clauses in that private member's bill and you were able, with us, to defeat other clauses.

I want the same right: to be able to make the arguments for this bill. Why are you denying me that right, the same right that you had two weeks ago on Bill C-501? I think it's only fair that we go clause by clause.

Thank you. I'm on the record for that.

**The Chair:** Go ahead, Mr. McTeague.

**Hon. Dan McTeague:** Chair, I have no difficulty in reminding the committee that the direction from the House on this bill was given by the authority of Parliament, the authority of the Canadian people. I know it's a problem for some people on the government side, on the Conservative side, who tend to ignore that and prefer executive power, but it is a minority government up until tomorrow, and we'll see what happens after the elections.

**Mr. Mike Wallace:** You're right.

**Hon. Dan McTeague:** Chair, Conservative members have exercised significant time in terms of the debate, and Mr. Lake has provided an amendment. If they wish to continue to debate the amendment, it might be fair for you to suggest to the witnesses that this may go on for another 10 or 15 or 20 minutes.

More importantly, though, Mr. Chair, we have from the parliamentary secretary a position at the outset that is highly inflammatory and comments that were extremely partisan—which we can expect—followed then by his last comment, which was a begging, an imploring. This face of Janus is just not acceptable, and I would suggest that if the member is serious about allowing the witnesses to stay, he ask for and concur with allowing a vote on his amendment, and we'll get on to the rest of it. Perhaps in 20 seconds we can have this over and done with.

**The Chair:** Well, I don't think it'll be that little. We have two people on the speakers list. We have Mr. Lake and then Mr. Généreux.

**Mr. Mike Lake:** There are a couple of things. If we want to go to a vote on my amendment, I'm fine to go to a vote on my amendment, but I want to clearly indicate that we will be debating the main motion. It's a completely unacceptable motion. We're willing to defer that question. It was a Liberal choice to bring it up in this meeting, and when you introduce something new completely out of the blue and then completely abandon all principle as it relates to the normal practices of the committee, I think it would be the expectation of any reasonable person looking in on this that we would have a debate over that. I think any reasonable person would agree.

Let's call the question. If we want to call the question on my amendment, let's call the question on my amendment, and we'll get back to debating the main motion, absolutely.

**The Chair:** Okay.

Go ahead, Monsieur Généreux.

[*Translation*]

**Mr. Bernard Généreux:** I am relatively new to this, but I thought I understood some things during the questions.

We need to go back a bit and remember why we are here today and why we are debating this bill. The NDP had been very aggressive and claimed that the potash situation for Canada was appalling. So this wasn't relevant.

The parties had agreed to have a debate and a full analysis with witnesses. The witnesses were invited and are here.

I find it most unfortunate that the motion from the Liberal party means that people are in the room waiting for us. This is a lack of courtesy. Given the circumstances, which may find us in an election in 24, 48 or 72 hours, it's still fairly incredible.

The reasons why everyone agreed to study this issue are still the same and are still on the table. I don't believe we've exhausted the issue.

Like the NDP, the Bloc Québécois had reasons to believe... If I am not mistaken, they presented this plan to study the issue in depth.

We did not go in depth, far from it. I think that we only scratched the surface. Personally, I think that we should proceed as quickly as possible and listen to the witnesses.

• (1655)

**The Chair:** Thank you very much, Mr. Généreux.

[*English*]

There's no one else on the speaker's list, so I'll call the question.

**Mr. Mike Lake:** I'd like a recorded vote, please.

**The Chair:** This is on the amendment to the main motion.

**The Clerk:** Mr. Braid.

**Mr. Peter Braid:** Is this is the amendment with Mr. Rota's suggestion?

**The Clerk:** No, this is Mr. Lake's amendment.

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

**The Chair:** On the main motion, we have Mr. Lake.

**Mr. Mike Lake:** Can you clarify for me when we received the motion, or when it was put forward?

**The Chair:** The motion was received on Tuesday and distributed Tuesday evening to all the members.

**Mr. Mike Lake:** When was this meeting scheduled to study the Investment Canada Act and hear from these witnesses?

**The Chair:** It was a number of weeks ago.

**Mr. Mike Lake:** So we had something planned, and then Mr. Rota decided to put forward this motion. We have witnesses here ready to present to us on the Investment Canada Act, which we all agree is very important, but Mr. Rota decided a couple of days ago to introduce a motion to do something completely unprecedented.

I just want to go through this to clarify.

Then the chair overruled that with the impartial advice from the clerk. The chair ruled it out of order. Then the opposition parties basically overruled the chair's decision and the clerk's advice.

So here we are. We have a decision to make on our side. How do we address this?

We've heard from some witnesses, but we haven't even had the chance to talk to officials about the substance of the bill. One question I have concerns the census from 1971, which Madam Bennett wants to go back to. It talks about the head of the household having to be a man. I wanted to talk about the impact of the wording of her language, because it sounds as though she wants to go back to the substance of the 1971 census. That would be a critical question for us to be clear on.

There was another question about the percentage of Canadians the census would go out to. It seemed to leave it open to going to anywhere from zero to 100%. One would assume that if the long-form census were to go to 100% of Canadians, it would be pretty darned expensive compared with what it is now.

I wanted to ask questions about these kinds of things of the officials, and maybe even of other witnesses who would come before the committee, but we don't have the opportunity, because for the

first time in history—at least in my experience on committees—we wouldn't actually go clause by clause on a bill.

The Liberals expect that we will just vote on this right now with no debate. That's the expectation. The opposition parties have joined forces to ask that we pass this bill without actually having the proper clause-by-clause review that we have every single time, so we're forced to have this debate right now while witnesses who came to discuss something that was planned weeks ago and have prepared for it sit in the back of the room. This is the biggest example of Parliament not functioning that I can imagine.

**An hon. member:** Hear, hear!

**Mr. Mike Lake:** It doesn't need to be this way.

The motion is pointless. The actual result of this is largely pointless, other than that it completely breaks every principle of the way the committee process is supposed to function as it relates to bills and to our responsibility to the people who elect us to properly study legislation.

I completely don't understand this. We're stuck here, because on our side, or from my standpoint, the only way I can stop this is to discuss it. The only way we can stop it is to discuss it.

We'd like to stop right now. We'd like to hear from the witnesses who have come before the committee to talk about the Investment Canada Act, but we can't, because it would be completely irresponsible of me, as a person elected to represent my constituents, to allow a bill to pass for political purposes without actually having properly inspected it.

It's a conundrum for me. I don't know how to respond to this. Quite honestly, I'm looking for some indication from one member of the combined opposition—just one member—who says that the Investment Canada Act is important, that these witnesses are important to hear, and that there is a willingness to defer this in the interest of hearing from those witnesses. However, I can't allow a piece of legislation to pass through the committee that I'm a member of, that I'm responsible for, without our actually properly looking at it. That's completely undemocratic; it's completely opposed to the systems we have set up in over 140 years in this Parliament.

• (1700)

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

Go ahead, Mr. Rota.

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

I listened to the parliamentary secretary speaking about the importance of what we're studying right now. The Investment Canada Act is something I brought up on March 9, 2010, and it really was put on the back burner until the minister decided that they could get some political mileage out of it. All of a sudden it's important and we have to rush it through. Maybe the Conservatives feel as though they can get something through this committee and make it look as if they've actually done something.

Now here we are, Mr. Chair. You received this motion on Tuesday. Is that correct?

**The Chair:** That's correct. It was submitted by the clerk on Tuesday.



**Mr. Anthony Rota:** Right. I consulted with some of the members on the opposition side, and they thought it was a good motion. I thought if there was anything wrong with it, surely the chair would have told me about it. I didn't see anything wrong, and suddenly there's a hang-up. We had to challenge the chair. Now we have to wait on the minister before we can study it. Executive power has gone crazy here. They control everything.

What's important in this committee is the will of the committee, and the will of the committee is to send this to the House. To me, that would take precedence over everything, even what the minister is sending to the parliamentary secretary over his BlackBerry. I don't know whether he's tweeting it or sending it directly, but it's probably sent directly, because it's private.

**Mr. Mike Lake:** Mr. Chair, on a point of order, I'm not sure what the member's getting at here, but if he has some knowledge of what's on my BlackBerry or if he's getting a feed from my BlackBerry, then I would say that I have a point of privilege, because the honourable member apparently knows what's on my BlackBerry.

I'm confused. What's he getting at?

**The Chair:** Mr. Lake, I can assure you that it's not a point of order, and if it's a point of privilege, I have learned by being instructed by the very qualified clerks that it's something you have to take up with the Speaker in the chamber. If your privilege has been breached, then I'm certain that Mr. Rota will be duly dealt with.

Mr. Rota, right now you have the floor.

• (1705)

**Mr. Anthony Rota:** I want to assure you, Mr. Chair, that I am not breaching Mr. Lake's.... I just made that assumption because of the way he was tapping away at his BlackBerry. It may not be his BlackBerry. It might be ministerial staff feeding him the information. I'm just speculating. I'll take that back, and we won't go there.

**Mr. Mike Lake:** On a point of order, I'll just clarify. What I'm seeing on Twitter on my BlackBerry right now is a headline from the *National Post*: "Liberals, NDP must be honest about coalition." I'm willing to print this off and table it before the committee if the honourable member wants to see it.

**The Chair:** Let's stick with legitimate points of order.

Continue, Mr. Rota.

**Mr. Anthony Rota:** I thank you. I've been watching what's going on. We hear about coalition, but the only coalition that I've seen so far is a Progressive Conservative-Alliance-Reform coalition that exists out there. Any Progressive Conservative is pretty well squeezed out. I'm not sure what you'd call it. I'm not going to go on, because that's just going to feed Mr. Lake, and we don't want to feed him more than we have to.

In any case, the will of this committee is to vote on this motion. I would ask that we vote on the motion.

Thank you.

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

Other than talking about Mr. Lake's nutrition, I can assure you that as far as your comments about this chair go, when the meeting

began, I analyzed your motion. I think it's really the responsibility of every member to make sure that their motion is in order, so you bear the responsibility for that. Being the servant of the committee, I simply make sure that we follow the procedures as well as possible and that we don't go against those procedures and consequently have to deal with the Speaker if there is an issue with what we're doing here.

Next is Mr. Masse. I have three people on the speakers list right now.

Go ahead, Mr. Masse.

**Mr. Brian Masse (Windsor West, NDP):** Thank you, Mr. Chair.

I wanted to make sure it was on the record that this is not unprecedented. This is how the Conservatives and the other parties ganged up on the New Democrats and passed the HST in British Columbia and Ontario. It was done through a ways and means motion. It was moved rapidly through committee and passed in record time without study. I just wanted it to be clear that it's not unprecedented.

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

Go ahead, Mr. Lake.

**Mr. Mike Lake:** I just had a question, actually, for Mr. Rota. I think he said earlier that he had consulted with the opposition members and had gotten agreement, or something to that effect. I'm just wondering if he could tell us which of the government members, in the interest of working together on the committee, he consulted with before moving his motion.

**The Chair:** I'm going to Mr. McTeague now.

**Hon. Dan McTeague:** Chair, I'm wondering about that last point. The parliamentary secretary gets an extra \$15,000 or more a year. He knows full well that part of his job is to relay to the minister and the ministry what's happening on this committee. If he hasn't done that, then he should say so now. That motion was put forth two days ago and was sent to your office, to your address. I don't have to look at your BlackBerry to know that, Mr. Lake. If you didn't do your job, that's not Mr. Rota's fault: that's your fault.

I want to talk about the other concern that I have. Let this be a lesson to our friends in the Conservative Party. If you're going to mess around with legislation, something that has stood the test of time, a census that has worked very well for Canadians without giving much reason for changing it, these are the consequences of what happens when you decide at the last second that you're going to change and throw in reverse years of history that have worked very well for the country.

You should not be surprised, Mr. Lake, nor should any of the members on that side, that we're at a point where we've tried to fix this. Parliament has passed, in principle, the notion of fixing the damage you have done.

If Mr. Lake wants to come here as a member of Parliament in good standing suggesting that somehow executive power is more important than parliamentary power, then I suggest he go back and read a bit of history from the 1600s and find out how the king lost his head for doing the same thing.

I would also suggest, though, in the interest of time, that if Mr. Lake has taken the time to look at Mr. Rota's motion and has a concern, he ought to have raised it with the opposition, which, the last time I checked from the last election, constitutes fully 64% of the will of the Canadian people.

**The Chair:** Next is Mr. Wallace, and then we have Mr. Lake.

**Mr. Mike Wallace:** I'm going to try to stick with the issue, instead of the politics that seem to have been percolating up for reasons that I don't know.

My issue, Mr. Chair—and I think I've expressed it at this committee, and I know I've expressed it at the finance committee, which I'm a member of—is the role and the issue of private member's bills, which this is. We are dealing with a private member's bill.

If this were a Conservative bill from a Conservative private member, I would be shocked that the opposition would be so keen on passing it through so quickly. They would want to do their due diligence by looking at the clauses and by having staff here to discuss them.

The fundamental problem I have—and I'm not blaming any mover of private member's bills under the present system—is that the present system allows this to happen. I think the system needs to change so that there is a legislative requirement for due diligence on these private member's bills. Government bills go through legal and constitutional issues. They go through finance, even though our opposition members may not like the numbers that they're given or they don't think there's enough. There is a rigour to the development and the presentation of laws.

Let's be frank: this becomes the law of the land. It's not a motion to say we're bad or they're good or you should do this or you should look at this; this is actual law.

My issue with it and with all private members' bills, not just this one, is that in lots of cases I don't think there is enough due diligence done to private members' bills that other bills may have.

Both sides have called witnesses to come and talk at these committee meetings. The meetings were set up. We are expecting witnesses to come back, and then we'll have clause-by-clause consideration. Will I win many of my debates at clause by clause? Let's be frank: it's not likely, but at least we'll be able to be on the record as to why I am supporting or not supporting particular pieces, just as I have that right on other private members' bills.

Of any legislation, private members' bills need—

• (1710)

**The Chair:** Mr. Masse has a point of order.

**Mr. Brian Masse:** On a point of order, as you did mention earlier, and seeing the time and that this is going to go on a while, I would suggest that we wouldn't even be able to have the witnesses get through their opening testimony at this particular point in time—

**Mr. Mike Wallace:** Unless we extend the meeting—

**Mr. Brian Masse:** —so I would invite them, if they so chose, to leave. That's my suggestion to you, Mr. Chair, through your earlier suggestion. I thought that might be the courteous thing to do.

**The Chair:** Thank you, Mr. Masse. You did it in a very non-partisan way and with integrity.

Unless I see any resistance to my right or left, I'm going to do that right now.

From the chair of the committee, you have our apologies that we are seized with other business that is urgent. Rather than delay you any further, we'd like to excuse you. I hope all of you will please accept our thanks and our apologies as well.

Thank you, Mr. Masse.

Mr. Wallace, please continue.

**Mr. Mike Wallace:** To continue, my thoughts on the matter are that on this particular bill we haven't had the opportunity to do due diligence. I think it works for both sides of the House, to be perfectly honest with you, that due diligence on these items allows the proponents to say that they looked at this, this was the testimony, and this is what we agreed or disagreed with. You have some substance as to why this is happening.

To be frank with you, I am never in favour of allowing a private member's bill, on the committees I've been on, to go through the 60-day deadline or whatever that timeframe is—I think it's 60 days—and just automatically pass. I don't think that's appropriate. Private members' bills—let's be frank again—could deal with all kinds of issues that have very little research and very little understanding behind them. I've seen cases in which we've had to ask questions of movers of bills who did not know what was in their own bill and either had to look to staff or others or had to get back to us with those answers. They don't have the same eyes on them that regular government-generated bills have.

I think there needs to be an improved process for private members' bills. I prefer motions, because they ask the government to study something, and I think motions should come to committee, not just disappear. I think some changes need to be made.

In this particular case, I will not be supporting this going directly to the House, because I haven't had the opportunity to question the witnesses, including those who are going to be implementing the changes that are in this bill. I think that's a violation of my ability to do my job. The opposition like to talk a lot about how they've been violated in their ability to do their job. Well, I think this is a blatant approach to a private member's bill that doesn't allow me the ability to at least do the questioning. I may not be right, Mr. Chair, and I might not get my way in the end, but I shouldn't not be afforded that opportunity by just passing this bill through this committee today.

I think that's all I had to say, to be honest with you.

• (1715)

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

Mr. McTeague is next.

**Hon. Dan McTeague:** I appreciate that from Mr. Wallace, and I'd be more than happy to discuss with the parliamentary secretary his having a personal meeting with any one of the officials to determine and size up for himself whether the bill is adequate or not.

I'll come back to a simple point. A decision was made by executive authority; they proposed a change by fiat. What I've asked for and what the committee is asking for is a fix to that problem.

You now have a situation in which you have a classic debate between parliamentarians and the executive authority, which is supposed to be responsible to the parliamentary body. I'm not going to go through a histrionic exercise; the reality is that what we're dealing with here, Mr. Wallace, is very much a classic example of Parliament—not the cabinet, not Mr. Lake's boss—being supreme.

Today we are looking at a remedy to a problem created by your Minister of Industry, and we have what we believe is the perfect solution, endorsed in principle already at second reading by the democratically elected representatives of the Canadian public. If the executive and cabinet ministers don't like that, tough beans; the reality is that the power rests with members of Parliament like you and me. We may agree and we may disagree. You and I have disagreed on private members' bills that I've brought before us, and we almost caused an election on it.

At this stage, if we want to continue debating for the next 15 minutes, then we'll agree to disagree. My interest here, Mr. Chairman, is to make it abundantly clear that when it comes to the supremacy of parliamentarians, I will always fight for that right, regardless of what party they may be from. As the member obviously knows, my own track record and history on many of these issues is that I don't necessarily always follow my party. I'd like to see that kind of leadership from some of the members on your side.

Thank you, Chair.

**The Chair:** Go ahead, Mr. Wallace.

**Mr. Mike Wallace:** The member opposite, Mr. McTeague, made my point exactly. He made my point for me. He talks about the supremacy of Parliament and its ability to do its job. That's exactly what my argument has been. When a bill is sent from second reading to the committee for study, the committee could decide that we don't want to deal with it and let the 60 days lapse and let it go back to the House. I have never been on a committee where I have agreed, whether or not my party wants me to... I am always pushing for us to look at private members' bills, because I think they're tools that are abused and misused and are not set up for the purposes they were originally for.

If the supremacy of Parliament or the ability to do your job is a fundamental right of a member of Parliament, this is exactly what this motion overrides. It overrides all our rights to be able to look at the bill clause by clause and discuss it with those officials who have to implement any change that any bill makes. At the end of the day, we are the ones who pass the laws and formulate the legislation, but the bureaucratic level has to do the implementation. Because Parliament is supreme, I don't think it's unreasonable for a member of Parliament to ask to look at this legislation clause by clause, as I have done with every other private member's bill.

So I think Mr. McTeague is right: it is our responsibility and our job to do that. That's why I'm opposed to this; it's because it overrides that responsibility.

Thank you, Mr. Chair.

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

Go ahead, Mr. Lake.

• (1720)

**Mr. Mike Lake:** It just seems crazy that we're in the position we're in right now. It's probably a good thing that the opposition parties have pulled the plug or are about to pull the plug, because this just can't happen, and whatever the outcome of the next election, I hope we can get beyond some of the stuff we've had to deal with over the last little while.

The industry committee has been known as one of the best-functioning committees, a committee where people got beyond some of the partisan games. Over the last little while it's become more like some of the other committees, and that's unfortunate.

We've had the opportunity to discuss some pretty important things. I had the chance to have a bit of a conversation with some of the folks who were supposed to be before the committee today, and it sounded as though they had some really interesting things to say. We have the briefs they're submitting. Obviously, if we go to an election, we won't have a chance to have those briefs as part of a report. It would have been nice to have come to a conclusion on the committee about the Investment Canada Act and to have given our thoughts on that.

In terms of my colleagues from all parties, I enjoy working on the committee. I enjoy working with every one of you. I know that sometimes it becomes a bit difficult, but I really do enjoy working with you. We don't know what this committee is going to look like or who will be on it or if we're going to be on it or if any of us will be on the same committee next time. Who knows? Last time I was on the human resources committee, which I loved being on too, and I was on the public accounts committee before that. I have really enjoyed working with the people on this committee. I'm using my last little bit here to—

**Hon. Dan McTeague:** To say goodbye?

**Mr. Mike Lake:** It's like a goodbye speech or whatever. It's goodbye for 36 days.

Let's face it. I think we get involved because we want to make a difference, right? We do, and this kind of thing is a bit frustrating. I've had conversations with just about everybody on this committee, regardless of party, outside our committee meetings, and they've been good, friendly conversations. I know that you guys have families and histories in business and other things that are really interesting to hear about it, and when we come back from our forced break over the next six or seven weeks, I hope we can come together and do some good work in whatever committee we're on. Maybe it'll be this committee, maybe it'll be other ones, but regardless of the outcome of the election, I do wish everybody on the committee well.

**Mr. Mike Wallace:** There's an election?

**Mr. Mike Lake:** Yes, there might be an election. Rumour has it, Mr. Wallace, that there might be an election campaign.

Anyway, I wish all the best to everybody. I'm not going to get into hammering any more on this specific topic right now. I thank you guys.

**The Chair:** Just before we go any further, in case a new round of debate comes up, could I just get a quick agreement on operational budgets?

There are two items that can be dispensed with. These are budgets and not actual expenses. We're just giving the clerks some discretion.

One is for \$7,850 for witnesses for Bill C-568.

**Mr. Mike Wallace:** Isn't that the bill in front of us right now?

**The Chair:** That's right. We've already heard some witnesses.

**Mr. Mike Wallace:** I have a point of order on that.

Is this payment for witnesses in the future or for witnesses we have already seen?

**The Chair:** There are some costs on here for the future. Of course, they'll be deleted. We're just giving discretion here.

**Mr. Mike Wallace:** Can you tell me what those future expenses are?

**Mr. Anthony Rota:** As well, can you tell us how much we've saved by sending it back to the House?

**Mr. Mike Wallace:** We haven't sent it back yet, by the way. We have four or five minutes.

**The Chair:** Let me give you the highlights: for the witness from Vancouver, it's \$3,350; the two witnesses from Toronto are \$1,500 each, so it's \$3,000; the two witnesses from Montreal are \$600; the witness from Sherbrooke is \$400.

**Mr. Mike Wallace:** Has that already been spent, or is it going to be spent?

**The Chair:** We don't have all the details here.

• (1725)

**Mr. Mike Wallace:** Give me a guesstimate. If the costs pass, how much is for future witnesses? Give it to me approximately.

If for some reason there was no election called tomorrow, how many future witnesses do you think we would have?

**The Clerk:** For Bill C-568, we had eight witnesses confirmed.

**Mr. Mike Wallace:** I don't know if this is public knowledge or not, but do you know which party requested the witnesses? Can I ask who is coming and who requested them?

**The Chair:** While he's getting that information, I will also talk to you about the Investment Canada Act expenses, at \$9,800. That's for six witnesses.

**Mr. Mike Wallace:** What's that one for?

**The Chair:** It's for the Investment Canada Act, ICA.

**Mr. Mike Wallace:** Is that for witnesses we've had thus far, or for future witnesses?

**The Chair:** It's for witnesses we've had thus far.

**Mr. Mike Wallace:** I'll move the "thus far" one.

**The Chair:** And future ones.

**Mr. Mike Wallace:** Oh, and future ones.

**Mr. Mike Lake:** Well, move it. If there are no future witnesses, then there are no expenses.

**The Chair:** This is a budget—

**Mr. Mike Wallace:** I'd still like to know, today before 5:30, who's coming and who requested them.

**The Chair:** The clerk assures me he only pays actual expenses, and that's it.

**Mr. Mike Wallace:** To whom?

**The Chair:** To the witnesses.

**Mr. Mike Wallace:** He's been a clerk for many years, and I'm sure he knows the rules. He's very good.

I want to know what witnesses are still to come for Bill C-568.

**The Clerk:** For Bill C-568 we had the Canadian Association of University Teachers confirmed for, let's say, March 29.

**Mr. Mike Wallace:** Who asked them to come?

**The Clerk:** It will take me a few minutes. Could I give you the names, and then I'll find out who asked for the witnesses?

**Mr. Mike Wallace:** Give us the names and then....

**The Clerk:** For March 29, we had the Canadian Association of University Teachers,

[Translation]

the *Fédération québécoise des professeures et professeurs d'université*,

[English]

the Canadian Institute of Planners, the Inuit Tapiriit Kanatami, the Canadian Council on Social Development, the Canadian Association for Business Economics,

[Translation]

the Institute for Research on Public Policy.

On April 5, we will have the *Fédération francophones et acadienne du Canada*. These were confirmed for Bill C-568.

For Investment Canada, on Thursday, March 31, we have the Quebec Employers' Council, the *Fédération des chambres de commerce du Québec*.

[English]

There's the Hon. Donald Johnston, the Canadian Manufacturers and Exporters, the City of Thompson, the Canadian Auto Workers Union, the Canadian Labour Congress, and the United Steelworkers of Canada.

**Mr. Mike Wallace:** Those are people we'll have to ask back today.

**The Clerk:** They were confirmed witnesses.

**Mr. Mike Wallace:** Can you tell me who invited the witnesses for the private member's bill? Whose witnesses are they? Let me put it that way. They could be ours; I don't know.

I think all parties provide the names of the witnesses we'd like to see. Then they decide to balance it off. That's how that works, so I'd like to see who invited whom.

**Hon. Dan McTeague:** Chair, it's not a point of order, but in concert with what Mr. Lake has suggested, I'm looking at the clock, and it's just about 5:30 now. We would have no difficulty if you saw the clock as 5:30.

**The Chair:** I'd like to give the clerk enough discretion to look at these expenses, considering that tomorrow might be a big day.

**Hon. Dan McTeague:** Yes. I'm just concerned that we've gone beyond the 5:30 period.

**Mr. Mike Wallace:** Why don't we move to pay the expenses? I'll support that.

**Some hon. members:** Agreed.

**Mr. Mike Lake:** We'll get the clerk to table the information about the parties.

• (1730)

**The Chair:** The meeting is adjourned.

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