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## **Standing Committee on Transport, Infrastructure and Communities**

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**EVIDENCE**

**Tuesday, March 1, 2011**

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**Chair**

**Mr. Merv Tweed**



## Standing Committee on Transport, Infrastructure and Communities

Tuesday, March 1, 2011

• (1540)

[English]

**The Chair (Mr. Merv Tweed (Brandon—Souris, CPC)):** Good afternoon, everyone. Welcome to meeting number 51 of the Standing Committee on Transport, Infrastructure and Communities.

Pursuant to the order of reference of Wednesday, October 6, 2010, we are studying Bill C-511, an act respecting the reporting of motor vehicle information and to amend the Motor Vehicle Safety Act, (improving public safety).

We have one witness before us today and then we will move into clause-by-clause consideration. I will seek the decision from the committee itself.

I'm giving the committee a heads-up that I will be leaving the committee at 5:30. I have other commitments. If the committee chooses to continue, it would be by agreement with the vice-chair.

Mr. Volpe, welcome.

**Hon. Joseph Volpe (Eglinton—Lawrence, Lib.):** Thank you very much, Mr. Chairman, and thank you, colleagues.

I appreciate the opportunity to address Bill C-511. I apologize; for a moment, I'm trying to get my eyes adjusted to the fact that there's a lot of light coming from behind you. Honestly, I can't see anything.

Mr. Chairman, through you I thank all colleagues for the consideration that you've already given to Bill C-511. With your patience, I'll go over some of the basic details. I know you're familiar with the bill already and with the dynamics associated with it. If you'll forgive me, I shall repeat some of the findings. Some of the dynamics in the committee have changed somewhat since the bill was first presented.

You'll remember, colleagues, that it is now about 14 months ago that an issue of automobile safety surfaced overseas. That issue of automobile safety, pertinent to one specific company, then moved on to Europe and eventually ended up in the United States. In the United States, the issues associated with the consumer complaints and with product safety as distinct from product quality led to congressional hearings associated with our equivalent of Transport Canada, NHTSA in the United States, to bring the company president forward in what was essentially precedent-setting: that a major corporation, the biggest automobile manufacturer in the world at the time, would appear before a congressional committee in order to explain the reasons why the products that came from his company were giving so much difficulty to consumers—product users, automobile owners.

The main issues that surfaced as a result of that hearing was the responsibility of manufacturers to put product on the market that would still be safe for users and for people who shared roads with those users. At the same time, in Canada Transport Canada was conducting discussions, negotiations, investigations—all three—with that same company. Several ministers from our government gave indications that they were supportive at first of the consumer complaints and gradually shifted over to supporting the automobile manufacturer and then subsequently the industry itself.

This committee, you may recall, took it upon itself to bring to it the Canadian representatives of that automobile manufacturer. I have avoided mentioning the company up until this point, because I didn't want anybody to think that this was directed at a specific company. But as members know, that company was Toyota. Toyota came forward and presented a series of positions that were similar to those they had offered in the United States. Some of the positions were, as far as Toyota was concerned, that there really wasn't an issue of product safety; there were some questions about quality issues, there were some questions about issues that emanated from the original manufacturer producer, and there was always the issue of driver error.

Many colleagues will recall that we had some really vivid exchanges with the officials from Toyota. Some members wanted treatment for Canadians that was similar to the treatment that Americans had been able to negotiate, keeping in mind that it was very uncommon to have a congressional hearing bring before it officials from an overseas company, especially one that dominated the sector.

As a result of those hearings, several things surfaced.

• (1545)

Toyota paid, at the time, the biggest fine paid by a major corporation in order to placate the authorities. Toyota paid some \$16 million in fines. They subsequently paid another \$26 million, leading many to suspect that they were admitting guilt.

That wasn't what this committee wanted to do. What the committee wanted to do was to make sure that the products put on the road by that company, or indeed by any other company, would meet the standards and expectations of the purchasers and all those who share the roads with those purchasers.

Toyota continued to balk at giving us the same cooperation they had given the Americans, although the Americans went one step further and said, "In order for us to make what are balanced and fair decisions with respect to any company in a global marketplace, we need to have information that's derived globally. The cars may be adjusted from one market to another, but essentially they are the same car." Toyota said that they might be identical, but they're not the same car.

I think where everybody agreed is that on an engineering, design and structural basis, the essential elements of the car were the same and that the design, engineering and structural decisions were made at home office. That was the position as well at the American congressional hearings, where they said, "We need to hold somebody responsible and accountable and in order for you to make those decisions, you're getting information from all around the world. We want the same. We ask for the same."

The committee, with varying degrees of satisfaction, got information from Toyota. I say varying degrees because there were some members who were less satisfied than others. I might add that notwithstanding all the denials of the company, last week, I think, those who kept insisting that we needed to have information in order to make appropriate decisions were vindicated when the company recalled some 140,000 vehicles, give or take a few thousand, in Canada.

The committee received information from independent investigators from Transport Canada. There were several themes that surfaced in all cases.

First, safety-related defect was not clearly defined in the legislation, even though there were court decisions that had already established what a safety-related defect would be in an automobile.

Second, the minister, i.e., the department, did not have the authority to act, even though in the Motor Vehicle Safety Act there is a provision to pursue criminal charges if there is a cause to do so. That provision has never been used, in part because it's a little like a spiked baseball bat. There needed to be some other provision. The minister, i.e., the department, was not acting because it did not have the provisions in the act to do anything other than pursue criminal charges.

Third, there was no opportunity to make an objective, intelligent decision for lack of information that would be pertinent and that would be derived from around the world.

The final issue is because much of the discussion centred around whether there were defects in the vehicles themselves, i.e., the structural design, engineering component, or the electronics associated with it, perhaps an immediate remedy to a safety feature would have been a brake override in the event that cars were equipped with this electronic system.

● (1550)

I might remind colleagues around the table that the United States went even further than we did. They had NASA investigate whether the issue was the fault of electronics or whether it was an engineering design flaw. They determined that there were structural designs and that it was not the fault of electronics.

So those are the four issues. I know the chair wanted me to stop, but I just want, for a very brief moment, to review them, if you will allow.

Bill C-511 focuses on four items: the definition of a safety-related defect; authorizing the minister to make regulations to initiate a recall procedure; authorizing the minister to gather information from anywhere around the world, so that if a company is a global company, wherever it does business they have the right to get reports and to establish a reporting mechanism, typically every quarter; and finally, to compel the installation of a brake override system on vehicles that use electronic throttle control.

The whole issue for it is not that this is a partisan exercise but rather that public safety on the roads needed to be ensured by a regulator with the authority to enforce the equipment that would go on the road.

That's it. I thank you very much, Mr. Chairman and colleagues, for your patience.

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

Are there any questions from the floor?

Seeing none, I thank you very much.

Pursuant to Standing Order 75(1), consideration of clause 1 is postponed.

(Clause 1 allowed to stand)

**The Chair:** I am going now to call clause 2. We have an amendment, amendment G-1.

Mr. Jean.

(On clause 2—*Regulations*)

**Mr. Brian Jean (Fort McMurray—Athabasca, CPC):** Mr. Chair, I want to advise all members of the committee and the public at large that there have been discussions with Mr. Volpe in particular and with Mr. McCallum about this, and it's going to take a little bit of time. I know we're under a time limit of 5:30, but I will say that most of the proposals by Mr. Volpe have received some form of government approval. There are a few that are contentious, but I think we'll be able to move through them quite quickly as time goes.

One of the issues, Mr. Chair, is that what we propose is that the PEDAL Act, as such, be moved into the Motor Vehicle Safety Act. So these amendments will indeed become part of the MVSA.

In relation to clause 2....

Is that not amendment L-1? I'm sorry, Mr. Chair.

**The Chair:** We're on clause 2, amendment G-1.

**Mr. Brian Jean:** Thank you.

Mr. Chair, I think it's self-explanatory, in particular "That Bill C-511 be amended by deleting clause 2 and the heading before it." So I think it's self-explanatory. The rationale behind that I will find in a moment. But unless particular questions arise from it....

**The Chair:** Seeing that the amendment has been presented, it's the advice of the chair that it is inadmissible. If I can give advice to the committee, in order to proceed with amendment G-6.... It can only be moved if clause 2 is completely deleted.

Mr. Jean.

• (1555)

**Mr. Brian Jean:** Mr. Chair, I would like to add some clarification. This is amendment G-2.

**The Chair:** This is amendment G-1.

**Mr. Brian Jean:** It's amendment G-1?

I'm sorry, Mr. Chair.

**The Chair:** It's on clause 2. Basically what it is asking is to delete the clause. And the advice is that you're unable to delete it, but you can vote it out. That's the process.

**Mr. Brian Jean:** Why? Is it found to be outside the scope? Is that the case?

**The Chair:** It's the principle of the bill.

Whenever you try to delete an entire clause, it's out of order. So what you do is defeat the clause as it is.

**Mr. Brian Jean:** All right. Thank you, Mr. Chair.

**The Chair:** Mr. Volpe.

**Hon. Joseph Volpe:** I'm wondering if I can help this along by asking a question of the clerk and of you, Mr. Chair.

I don't want to anticipate what the parliamentary secretary might or might not say about this particular clause, or indeed about another amendment that he is proposing later on, but I'm wondering if it is the intention of the parliamentary secretary to actually reintroduce that same amendment later on in the bill. If that is his intention, I'm wondering if it would then be in order for him to amend his amendment by simply saying that we move clause 2 to wherever it is that he wants to put it.

Would that be in order, Mr. Chairman?

**The Chair:** My advice is no; when you seek to eliminate an entire clause, you do it by defeating the clause, not by amending it and saying you're deleting it.

Mr. Jean.

**Mr. Brian Jean:** If I may, perhaps I can just explain.

I apologize, Mr. Chair. I've been running around on this bill, and I want to....

My constituents thank you for last week, Mr. Volpe, when I stayed in town to try to solve this particular issue of Bill C-511.

My understanding is that if clause 2 is defeated, then we are able to take the PEDAL Act, in essence, or what Mr. Volpe has proposed, and put it into the MVSA, and use the enforcement provisions in the MVSA. Is that fair to say?

So what we need to do is vote on this particular clause and defeat it.

**The Chair:** But what I'm saying to the committee is that if they do not want the clause to stand as it is because the amendment is out of

order, then they should defeat the entire clause. Whether you're addressing the issue further in the bill will come up for discussion, but it's not up to me to give advice on a clause or an amendment that hasn't been presented—

**Mr. Brian Jean:** I think we understand, Mr. Chair, that it's necessary that we defeat this particular clause in order for the bill to have the enforcement provisions of the MVSA.

Thank you.

**The Chair:** Mr. Watson.

**Mr. Jeff Watson (Essex, CPC):** No, actually, that just clarified the point I was going to try to get at.

Thank you, Mr. Chair.

**The Chair:** Thank you.

Mr. McCallum.

**Hon. John McCallum (Markham—Unionville, Lib.):** I just want to know if it will be in order down the road when we want to reintroduce this same clause as a new clause.

How can you vote sensibly without knowing that?

**The Chair:** Well, the direction I gave the committee was that G-6, introducing new clause 6.1, can only be moved if clause 2 is defeated.

**Hon. John McCallum:** Oh, okay. So that means it can be moved if clause 2 is defeated.

**The Chair:** *Si.*

**Hon. John McCallum:** Okay.

Then I think that's fine.

**The Chair:** Okay, then.

Are there no other comments?

(Clause 2 negated)

**The Chair:** Mr. Jean.

**Mr. Brian Jean:** Mr. Chair, in relation to the heading before that clause, will that be dealt with at the end of clause-by-clause?

Yes: the clerk nods affirmatively.

Thank you.

**The Chair:** I have already announced that it's postponed until the end.

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

(On clause 3)

**The Chair:** We are at government amendment two.

Mr. Jean.

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

This is in relation to section 17. Section 17, of course, is not part of Bill C-511. However, to clarify, and for greater certainty, it...for it is an offence to contravene both a provision of the act and any regulation made under it.

Specifically, Mr. Chair, right now the wording is, “Every corporation that contravenes any provision of this Act”, but it does not refer to regulations. What we're asking is that government amend it so that it will include this act, or the regulations in particular. We want to give greater clarification and also make sure that, obviously, once the regulations are published, enforcement provisions would apply there as well.

• (1600)

**The Chair:** The amendment is in order.

I'll open the floor for comment.

Mr. McCallum.

**Hon. John McCallum:** We're fine with that.

**The Chair:** You're fine? Okay.

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

(Clause 3 as amended agreed to)

(On clause 4)

**The Chair:** We are on government amendment three.

Mr. Jean.

**Mr. Brian Jean:** Mr. Chair, I apologize, but my usual cheat sheets are not helping me very much in relation to the order of it, so I'm going to have deal with it—

**Hon. Joseph Volpe:** Can I help you out?

**Mr. Brian Jean:** Please, Mr. Volpe, I would be more than happy for you to propose the amendment.

**Hon. Joseph Volpe:** I got the PMO notes instead.

**Mr. Brian Jean:** Thank you. I appreciate that.

**Hon. Joseph Volpe:** I think, Mr. Chairman, you'll find that what the parliamentary secretary may want to do and we may want to think about in dealing with this amendment, once the issue of the negative clause 2 is dealt with later on.... One can only deal with the regulations once the authority for them has been established, and that won't be established until the negative on clause 2 is dealt with.

**The Chair:** Mr. Jean.

**Mr. Brian Jean:** That's not my understanding, Mr. Chair, but as I said, I apologize. I'm having a little bit of a problem working through amendment G-3. My understanding is that it requires a consistency of safety-related defects, but I....

**The Chair:** Mr. McCallum.

**Hon. John McCallum:** The first part of it simply removes the clause dealing with the brake override, and we have an amendment to propose to that amendment. I'm not quite sure when it's in order. We want to amend that clause but not eliminate it.

**The Chair:** Okay, I'm going to work on the assumption that amendment G-3 has been introduced and suggest to the committee that if amendment G-3 is adopted by the committee, amendment L-1 cannot be moved.

Are there comments?

Mr. McCallum.

**Hon. John McCallum:** We oppose simply removing that section on the brake override system, but we have alternative wording to propose that the government might agree with.

I'm not sure whether it's in order to present this now. You could say it's an amendment to their amendment, I suppose.

**The Chair:** Again, more than anything we have to hear whether the parliamentary secretary is willing to accept a favourable or honourable amendment to his amendment. We would have to view that before we could rule whether amendment L-1 cannot be moved. As it stands right now, if amendment G-3 is adopted, amendment L-1 cannot be moved.

**Mr. Brian Jean:** Mr. Chair, could we have a five-minute break?

**The Chair:** I think that might be in order, just to get clarity on this particular amendment, if that's okay.

**Mr. Brian Jean:** Absolutely.

**The Chair:** We'll take a five-minute recess, and I'll hold it to five minutes, please.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

• (1605)

**The Chair:** We'll call the meeting back to order.

Mr. Jean.

**Mr. Brian Jean:** Mr. Chair, we've had discussions between parties, and I would like to hear Mr. McCallum's proposed amendment in respect to this, if that's possible.

**The Chair:** He has asked, and you certainly can.

**Hon. John McCallum:** Thank you.

This relates to the part of the bill on page 3, lines 9 to 15, about the brake override system, which the government amendment has simply erased.

Our proposal is to erase the clause that exists in the bill that says:

(a.1) in the case of a vehicle that employs an electronic throttle control system, the vehicle is equipped with a brake-override system;

And replace it with:

The Governor in Council shall propose regulations respecting brake override systems for prescribed classes of vehicles equipped with an electronic throttle control system. This will be complete within 280 days after the coming into force of the U.S. enactment of such requirements.

The effect of that is to put the brake override decision not into the act but in the regulations and to give them the amount of time that is contingent on an action in the U.S. I think that's a reasonable way to go.

• (1610)

**The Chair:** Before I ask for a comment from the floor, Mr. McCallum, I don't want to put you through too much misery, but I would ask if you would just read it again one more time for interpretation and so that everybody understands.

**Hon. John McCallum:** I'd be happy to.

The Governor in Council shall propose regulations respecting brake override systems for prescribed classes of vehicles equipped with an electronic throttle control system. This will be complete within 280 days after the coming into force date of the U.S. enactment of such requirements.

**Mr. Brian Jean:** The coming into force of U.S. regulations?

**Hon. John McCallum:** I guess regulations.

**Hon. Joseph Volpe:** That would be American, whatever the American system—

**Hon. John McCallum:** It could be either.

**Mr. Brian Jean:** I understand that. Either way is fine.

**The Chair:** Mr. Jean.

**Mr. Brian Jean:** Mr. Chair, in anticipation of your ruling my amendment, the government amendment, out of order—

•(1615)

**The Chair:** It won't be out of order. What I'm going to propose, based on Mr. McCallum's interjection earlier, is that Mr. McCallum move his amendment further down on the agenda, so that we can address this issue with your amendment, and then we add it under, I believe, clause 6.1 when we're dealing with the regulation side of it.

Okay? Then we'll deal with government amendment number three.

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

(Clause 4 as amended agreed to)

(On clause 5)

**The Chair:** On clause 5, we have government amendment number four.

Mr. Jean.

**Mr. Brian Jean:** Yes, Mr. Chair.

You'll notice that some of the changes are fairly straightforward in relation to the English of this, and I think all members have a copy in both French and English. You'll notice in particular that the amendments made to this clause are meant to enlarge it and to ensure that its breadth is adequate. That's why, for instance, it talks about any vehicle and adding vehicles or equipment that have been imported into Canada. So it enlarges the class. I think it was just something that was missed by the original drafters, inadvertently.

So it captures not just those manufactured in Canada, but also the vast majority if not almost all vehicles on the road in Canada. So that's in relation to amendment (a).

And amendment (b)(2)—

**The Chair:** I have only one amendment.

**Mr. Brian Jean:** That is amendment G-5, is it not? No, it is amendment G-4, part (b).

**The Chair:** It is clause 5, amendment G-4, and there are two parts to that.

**Mr. Brian Jean:** I'm sorry, Mr. Chair. Let me start over.

It would change the words "in the prescribed manner" to be "in accordance with the regulations", so that would be consistent. It would provide more flexibility in making regulations that come from

a more general power. That is (a). We would add, from (b) specifically:

(4.1) The company that causes the notice to be given shall take measures to correct the safety-related defect.

That is to clarify who is responsible for remedying the defect for greater certainty in the legislation.

**The Chair:** Are there comments?

**Hon. Joseph Volpe:** We view it as a friendly amendment.

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

(Clause 5 as amended agreed to)

(On clause 6)

**The Chair:** On clause 6 we have amendment G-5.

Mr. Jean.

**Mr. Brian Jean:** Mr. Chair, this is the one I referred to in my previous conversation when I thought we were talking about amendment G-5 but it was clause 5. This in particular would replace lines 10 to 15 on page 5 and would include "any" vehicle and would also be in relation to imported vehicles. It also talks about a potential safety-related defect, not necessarily just a related defect.

It goes on in particular in part (b) to replace lines 17 to 43 on page 5, and it talks about a process, including the process of a preliminary determination that any party with a legitimate interest may present to the minister and the company in relation to the issues.

It goes on in proposed subsection 10.2(3) in respect of what happens after the notice is received.

Finally, Mr. Chair, proposed subsection 10.2(4) says the following:

(4) The company shall report to the Minister its conclusions and the findings of any research, testing, studies and evaluations that it has...

And proposed subsection 10.2(5) says the Governor in Council may make regulations respecting what is specified in proposed subsection 10.2(5).

Proposed subsection 10.2(6) says:

(6) For greater certainty, if the company concludes that the vehicle or equipment contains a safety-related defect, it shall comply with the requirements set out in section 10.

**The Chair:** The amendment is in order.

Are there comments?

Mr. McCallum.

**Hon. John McCallum:** We have no problem with the first part of it, part (a), which replaces lines 10 to 15 on page 5, as that strengthens it, but we would propose alternative wording for the second part of it.

**The Chair:** I will advise the committee that we are getting a friendly subamendment to Mr. Jean's amendment. John is a friendly guy, but I'll just ask Mr. McCallum to read it slowly for translation purposes and then maybe even again if need be.

•(1620)

**Hon. John McCallum:** Okay.

Whereas the government says it would replace lines 17 to 43, the Liberal amendment would replace lines 26 to 43. We would keep the original proposed subsection (2), then after line 26 we would have the following.... I have a printed version in English only—a few. I can't distribute it.

Instead of the government's proposed subsection (4), we would have proposed subsection (3) read as follows.... I'm on line 26, which would read as follows:

(3) The company shall report to the Minister within a time period specified by the Minister after receiving the notice of a preliminary determination of a safety related defect the findings of any research, testing, studies and evaluations that it has conducted; the company's determination as to whether a safety-related defect exists; and what action the company is taking to correct the safety-related defect, and shall publish a summary of those conclusions and findings in the Canada Gazette.

Following that, which would be new subsection (3), we would have a subsection (4), as follows:

(4) Should the Minister find any of the findings or planned action reported by the company under subsection (3) to be unsatisfactory then the Minister may order the company to take any measures the Minister sees fit in the interest of public safety.

We would erase subsections (2), (3), and (4) of the government amendment, and we would have proposed subsection (3), which I just read out, and new subsection (4), which I just read out. We would retain the government's proposed new subsections (5) and (6).

**The Chair:** I'm certain that members are going to want that repeated again for clarification. There are a lot of suggested changes, and I don't want members to be voting without feeling they have all the necessary information.

Monsieur Paillé.

[Translation]

**Mr. Daniel Paillé (Hochelaga, BQ):** Mr. Chair, I wasn't my intention to speak up too often, but I would simply like to say one thing to Mr. McCallum. As a dutiful parliamentarian, especially one who aspires to returning to government, he should have made a point of having both the French and English versions for us.

You are proposing to make radical changes to the amendment. It is already hard enough for colleagues to follow along with you as they do not have the text. What's more, it is only in English. I have no idea of the arrangements you made with my colleague that I'm replacing. More than likely, we agree with your proposed changes. However, you should have made it your duty to present your amendments in both languages. You should not have taken it upon yourself to table them in English only. You've been around for quite a while, Mr. McCallum. Your experience and your longevity should dictate your actions. Thank you.

[English]

**The Chair:** I'll recognize everybody, but I will advise Monsieur Paillé that it is a member's right to present any amendment in either language, for the process.

Mr. McCallum.

[Translation]

**Hon. John McCallum:** Even though it is my right to proceed in this manner, Mr. Paillé has raised a valid point and I will remember his comments in future. The thing is, these amendments were drafted

only two hours ago, after some lengthy discussions. Next time, however, I will do my best to present the amendments in both languages.

[English]

**The Chair:** Thank you.

Mr. Jean.

• (1625)

**Mr. Brian Jean:** My French is not as good as Mr. McCallum's, in fact it's probably worse than most people's in the country, but I will tell you we have a longstanding tradition, in the five years I've been on this committee, that we never accept anything unless it's in both official languages. That's per a promise made to Monsieur Laframboise some time ago, and we have not done so since.

**The Chair:** I do believe that when you are amending on the fly it is a bit of a challenge to get the translation in either language in a timely fashion. We read it slowly so our interpreters can get it clear. That's why I've asked Mr. McCallum to present it again, as soon as we get the pencil work completed here with Mr. Volpe.

Mr. McCallum is proposing a subamendment to government amendment G-5.

Mr. McCallum.

**Hon. John McCallum:** If you start with the bill itself, on page 5, we retain the existing proposed subsection 10.2(2) of the bill and then proceed to new proposed subsections 10.2(3), (4), (5), and (6), which I will read.

(3) The company shall report to the Minister within a time period specified by the Minister after receiving the notice of a preliminary determination of a safety related defect the findings of any research, testing, studies and evaluations that it has conducted; the company's determination as to whether a safety-related defect exists; and what action the company is taking to correct the safety-related defect, and shall publish a summary of those conclusions and findings in the Canada Gazette.

(4) Should the Minister find any of the findings or planned action reported by the company under subsection (3) to be unsatisfactory then the Minister may order the company to take any measures the Minister sees fit in the interest of public safety.

Proposed subsections 10.2(5) and 10.2(6) are the same as in the government amendment.

**The Chair:** Mr. Jean.

**Mr. Brian Jean:** Just for clarity, (a) of G-5 is fine; (b) is fine up to and including (2).

**Hon. John McCallum:** No. We're erasing the government's (2) and (3) and replacing them with the two that already exist in the bill. I don't think that makes a big difference to anything.

**Mr. Brian Jean:** I don't either. I just wanted to be sure.

**Hon. John McCallum:** So in G-5 we're erasing new proposed subsections 10.2(2), (3), and (4) and presenting our own new proposed subsections 10.2(3) and (4). Then we're retaining government new proposed subsections 10.2(5) and (6).

**Mr. Brian Jean:** I understand.

**The Chair:** Are there any comments?

Mr. McCallum.



**Hon. John McCallum:** I don't know if this is useful, but some of us have been talking about this. I can give a two-minute summary of.... No? Okay.

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

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

(Clause 6 as amended agreed to)

**The Chair:** We're moving to new clause 6.1 and G-6.

Mr. Jean.

**Mr. Brian Jean:** Everybody has had an opportunity to review this amendment. It's quite lengthy. It deals with the reporting and review of information, the limitation, and a periodic review of regulations.

I understand it brings some consistency to the regulation process for this piece of legislation. In particular, it removes the time requirement for making the regulation, as per the cabinet directive on streamlining regulations that is in force now. I understand that from 18 to 24 months is reasonable to allow the completion of the regulatory process. In addition, under the enabling legislation the Governor in Council is not forced to make regulations but is invited to do so. That's why this particular amendment is worded as such.

It removes "that manufactures vehicles and equipment" so that "company" will be as defined elsewhere in the legislation. It's for consistency throughout, so that "company" is more broadly defined elsewhere in the MVSA.

It also replaces the word "malfunction" with a better definition, which is "an alleged safety-related defect", which is more consistent with the legislation put forward by Mr. Volpe as well.

•(1630)

**The Chair:** The amendment is in order, so I'll open up the floor for discussion.

Mr. Volpe.

**Hon. Joseph Volpe:** Just for clarification, what the government is proposing is reinsertion of clause 2 in the original Bill C-511 from where it had been negated down to the end of....

[*Translation*]

My understanding is that the government is proposing the reinsertion of clause 2, which was negated a few minutes ago, at the end of Bill C-511.

[*English*]

**The Chair:** Mr. Jean.

**Mr. Brian Jean:** And also just to bring in consistency with the MVSA throughout.

And Mr. Volpe, if there's not enough room for you on that side, we have lots of room over here. I just thought I would invite you.

**Hon. Joseph Volpe:** Thank you.

**The Chair:** Are there any further comments?

[*Translation*]

**Hon. Joseph Volpe:** He's making me an offer. It's getting very serious.

[*English*]

**The Chair:** Thank you.

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

**The Chair:** Now we're going to go back to Mr. McCallum's earlier intervention, and I'll ask Mr. McCallum. This will be a new clause. Do I have a number?

**Hon. John McCallum:** Clause 6.2.

**The Chair:** Okay. Mr. McCallum.

**Hon. John McCallum:** This is the thing I read earlier about the brake override. I read it twice, and it's just being placed in a different part of the bill. Do you want me to read it again? No? Okay.

**The Chair:** So it will be considered a new clause 6.2.

(Amendment agreed to)

**The Chair:** We now move to clause 7.

Mr. Jean, G-7.

**Mr. Brian Jean:** Yes, Mr. Chair. Thank you.

We are recommending, Mr. Chair, replacing lines 8 and 9 on page 6 with the following: "tion or analysis of safety-related defect and may make".

The rationale for this, Mr. Chair, is that the definition of safety-related defects based upon our previous amendments and proposals is now under section 2; therefore the removal of the reference to subsection 10(1).

**The Chair:** The amendment is in order.

(Amendment agreed to)

(Clause 7 as amended agreed to)

**The Chair:** We're now moving into a new clause, clause 8.

Mr. Jean, G-8.

•(1635)

**Mr. Brian Jean:** Mr. Chair, I understand from the legal team that worked on this particular bill that to ensure that regulations under Bill C-511 and other bills can withstand a legal challenge, it has recommended that these changes in particular be made in relation to this. As such, I would propose G-8, in that we would amend and add after line 10 on page 6 what you find in front of you, in relation to the offence for a corporation and an offence for an individual.

**The Chair:** It is the position of the chair that this amendment is inadmissible, as it seeks to amend a section of the parent act not included in the bill.

**Mr. Brian Jean:** Mr. Chair, I would challenge that and your ruling in respect of that.

**The Chair:** It's non-debatable. The chair's ruling has been challenged. I'll turn it over to my colleague beside me.

**Mr. Chad Mariage (Procedural Clerk):** The question is, shall the ruling of the chair be sustained?

**Hon. Joseph Volpe:** Can I ask a question of clarification? I'm not interested if it's—

**The Chair:** It's not debatable.

**Hon. Joseph Volpe:** No, I don't want a debate. I just want clarification.

**The Chair:** It's not debatable. The chair has been challenged.

(Ruling of the chair overturned: nays 11; yeas 0)

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC):** What is it you're asking?

**The Chair:** It appears that the amendment is admissible. I'll open the floor for debate.

[*Translation*]

**Mr. Royal Galipeau (Ottawa—Orléans, CPC):** On a point of order, Mr. Chair. Ms. Gallant did not hear her name called during the recorded division.

[*English*]

**The Chair:** The vote has been taken. The decision of the chair has been overturned. We're moving on.

[*Translation*]

**Mr. Royal Galipeau:** Thank you, Mr. Chair.

[*English*]

**The Chair:** The floor is open for debate on amendment G-8.

Mr. McCallum.

**Hon. John McCallum:** I think it's the only amendment I don't understand. I wonder if Mr. Jean could explain briefly what the purpose of it is.

**Mr. Brian Jean:** In this case, I would like to call legal in. I'll try to explain it. My understanding of the rationale from the legal department is that the amendment is meant to ensure that the regulations under Bill C-511 are included and that other bills can withstand the legal challenge. For these reasons, it is recommended that the changes be made. That's my understanding. I don't know if I can be more clear than that.

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

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

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

**The Chair:** Shall the committee order a reprint of the bill as amended for the use of the House at report stage?

**Some hon. members:** Agreed.

**The Chair:** I'm going to suspend for a couple of minutes to get reorganized for the second part of our agenda, which is on some motions by members.

• \_\_\_\_\_ (Pause) \_\_\_\_\_

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• (1640)

**The Chair:** Welcome back.

We're into the second part of today's agenda. It is on motions that have been received by the chair. We have four of them on the record, and Mr. McCallum is the mover of all four.

Traditionally we have presented motions in the order they were received. Mr. McCallum, I believe that the first one we received from you is on the study you're proposing on freight reviews.

• (1645)

**Hon. John McCallum:** Thank you, Mr. Chair.

Two of these motions involve studies. I know that we have quite a number of studies already, and I'm not asking for a particular time. So I think that the question of priorities, comparing these proposals with others on the table, is for discussion at another time. At this point, it's just the principle that we would at some point like to do a study.

The first one has to do with a rail freight service review. I think this is an important issue. I think the government is saying that the report will come out soon, but it never seems to come. Maybe it will tomorrow. But I think it would be a good issue for the committee to study.

**The Chair:** The motion on the floor from Mr. McCallum is that the committee begin a study on the rail freight service review and report its findings to the House of Commons.

The floor is open for comment.

Go ahead, Mr. Jean.

**Mr. Brian Jean:** Well, I'm glad the Liberals are coming to the table on the rail freight review and the issue of rail freight and the issues that involve Canadians.

Of course I expect the Bloc members to fully support me on this, because the government's very interested in what's happening with the rail industry, as you're aware.

Certainly we're not going to oppose this. We think this is a great motion. Of course we have to wait for it to be translated. We understand that it's still in translation. As you say, there's no time limit on it, because we continue to wait for it to come and be put forward from the government after translation. I understand that it's going to be coming forward immediately. Certainly we're fully in favour of studying it once it comes out.

**The Chair:** Do you have a comment, Mr. McCallum?

**Hon. John McCallum:** Well, I'm glad that the government side supports the motion. The only comment I would make on translation is that my understanding is that it's not a terribly long report, and it's already two months or more late. So I'm wondering whether the reasons might be more than just translation, but that would be speculation.

I'm glad you support the motion.

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

**The Chair:** Mr. McCallum, go on with the second motion, dated February 11.

**Hon. John McCallum:** We're asking for a study concerning the Ontario-Quebec corridor and the Atlantic gateway strategies. We list two ministers we would like to have as witnesses.

I have heard from a number of sources that there's uncertainty or there's concern about all of the gateway strategies, other than the Pacific gateway. The Pacific gateway seems to be on track, at least relative to the Ontario, Quebec, and Atlantic strategies. So we think it's a good idea to conduct a study on this topic.

**The Chair:** We've heard the motion by Mr. McCallum. Are there any comments?

Yes, Mr. Jean.

**Mr. Brian Jean:** Mr. Chair, I think this is another initiative in relation to the government and particularly to industry and what's taking place along the St. Lawrence and in eastern Canada.

I also think it is great to see the Liberals come on to this and support this particular motion. I'm looking forward to it. We'll look forward to a lot of people coming forward to provide evidence on this.

**The Chair:** We'll go to Mr. Watson.

**Mr. Jeff Watson:** I'm not sure what the member fully had in mind on this. Will this encompass or have any discussion related to the new proposed international border crossing between Windsor and Detroit? Are we looking to deal with certain issues like that?

I believe that from our perspective, certainly that's a key aspect of where the government is going in the corridor, but I'm not sure what he had in mind. Did he want to give some indication of where he's going with this? I'm not opposed to the motion. I just want to get a sense of where the member's going with it.

**Hon. John McCallum:** Well, my third motion is to ask for information about these topics. I think once we get that information we would be in a position to be more precise on the content. I would think that the new border crossing could be a part of it, yes.

• (1650)

**Mr. Jeff Watson:** We're asking to commence a study whose direction we can't determine until we get the documents. It almost seems like the motions are backwards. Why not get the information and then come back with this motion?

Anyway, I'm not going to put too fine a point on that....

**The Chair:** The motion is that the committee begin a study on the progress of developing the gateway strategies for Ontario, Quebec, and Atlantic Canada; that the witness list will include, but not be limited to, the Honourable Chuck Strahl, Minister of Transport, Infrastructure and Communities; the Honourable Keith Ashfield, Minister of the Atlantic Canada Opportunities Agency, and Minister of the Atlantic Gateway; and that the committee will report its findings to the House of Commons.

(Motion agreed to)

**The Chair:** Mr. Jean.

**Mr. Brian Jean:** Could the clerk advise us of how many studies we currently have under way? Should we move a motion to study how many studies we have? Maybe we should just study the studies we are studying....

**The Chair:** Thank you, Mr. Jean. I will find that out and report back to the committee at my earliest convenience.

We have a third motion by Mr. McCallum, dated February 14.

**Hon. John McCallum:** This one does not involve a study. It merely asks for information from the government, within seven calendar days, on the two gateway strategies, and also on the feasibility study for a Toronto-Peterborough passenger rail service.

**The Chair:** Comments?

Mr. Jean.

**Mr. Brian Jean:** As Mr. McCallum is a former minister of the crown, he will understand that a seven-day timeframe would be quite onerous for the department. I support the motion. I would just suggest giving them a more reasonable period of time to provide this information. Unless there's some previous deadline, I would suggest that 21 days would be in order.

With the Atlantic gateway council...there might be some issues relating to privacy concerns, etc. I'm not 100% sure. It just seems that seven days from today is onerous, considering all things, and I was wondering if you would consider amending it to 21 days.

**The Chair:** Mr. McCallum.

**Hon. John McCallum:** We seem to be cooperating so well today, so in the spirit of that, we'll do a compromise. Halfway between seven and 21 is 14, so we'll say 14 days.

**Mr. Brian Jean:** Perfect.

**The Chair:** The motion has been amended to allow for 14 calendar days.

First we will vote on the amendment.

(Amendment agreed to)

(Motion as amended agreed to)

**The Chair:** With that, we have no further business.

Monsieur Gaudet, you're okay?

[*Translation*]

**Mr. Roger Gaudet:** I'm fine.

[*English*]

**The Chair:** Thank you.

The meeting is adjourned.





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