



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Finance

FINA • NUMBER 004 • 1st SESSION • 41st PARLIAMENT

EVIDENCE

Thursday, June 23, 2011

—
Chair

Mr. James Rajotte

Standing Committee on Finance

Thursday, June 23, 2011

• (1250)

[English]

The Chair (Mr. James Rajotte (Edmonton—Leduc, CPC)): [Public proceedings resume]

I call the meeting back to order.

This is the Standing Committee on Finance, meeting number 4. We are now in public and we are now discussing the motion from Mr. Brison.

Go ahead, Mr. Brison.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Chair, I move that:

Whereas the House of Commons Standing Committee on Finance expressed its desire for certain documents on October 6, 2010 and November 17, 2010;

Whereas this Committee recognizes the ruling of the Speaker of the House of Commons on March 9, 2011 in connection to those requests for documents;

Whereas the Government, in an effort to comply with the Speaker's ruling, did provide some documents during the third session of the 40th Parliament that were related to the F-35 and CF-18 programs; and

Whereas many of these documents were received by the Clerk but not distributed to Members of the Standing Committee on Finance during the third session of the 40th Parliament as they were not available in both official languages at that time;

Accordingly, the Committee requests that the aforementioned documents be distributed in both official languages at the first opportunity during this session.

The Chair: Thank you, Mr. Brison.

On the speaking list I have Ms. McLeod first, please.

Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC): Thank you.

I would like to speak to the motion, but I would really like to propose an amendment. It really is going to accomplish the same thing, but it is going to keep it perhaps a little bit more simple. The proposed amendment would be:

Whereas many documents related to F-35's and CF-18's were received by the Clerk but not distributed to the Members of the Standing Committee on Finance during the third session of the 40th Parliament and as they were not available in both official languages at that time, the Committee requests that the aforementioned documents be distributed to the Members of the Standing Committee on Finance as well as the Standing Committee on National Defence in both official languages at the first opportunity during the session.

That's the proposed amendment.

Hon. Scott Brison: I view that as a friendly amendment.

Mrs. Cathy McLeod: It is a friendly amendment.

He accepted it.

The Chair: This is actually replacing the motion.

Mrs. Cathy McLeod: Mr. Brison indicated that he would accept it as a friendly amendment.

(Motion withdrawn)

The Chair: What you're presenting would actually become the motion the committee would pass. Are you okay with that, Mr. Brison?

Hon. Scott Brison: Yes.

The Chair: Is everyone okay with this?

(Motion agreed to)

Mr. Wayne Marston (Hamilton East—Stoney Creek, NDP): People won't believe that there is something happening in this committee.

The Chair: We have a motion on future business from Mr. Mai, and we'll distribute that.

Would you read that into the record? Just give us 30 seconds to distribute it.

Mr. Hoang Mai (Brossard—La Prairie, NDP): It's a motion to receive evidence from a previous session. I move:

That the Committee resume its study on Tax Evasion and Offshore Bank Accounts started in the previous session and, that the evidence and documentation received by the Committee during the third session of the 40th Parliament on the subject be taken into consideration by the Committee in this session.

The Chair: We'll go to Mr. Jean and then Mr. Marston.

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): My only question is in relation to the notice of this motion. Did we receive adequate notice that we would deal with this matter today?

The Chair: Yes, we did, because orders of the day are committee business, so any member can move any motion related to future business.

Mr. Brian Jean: I was just curious, because I didn't see it before and I wanted to make sure that I had a chance to look at it.

The Chair: Go ahead, Mr. Marston.

Mr. Wayne Marston: I understand some good work was done on this issue in the last session. I know that on our subcommittee on human rights, we quite often got trapped mid-study on one thing or another. I think this type of work shouldn't become passé, so I certainly would support bringing this forward.

While we're on this subject matter, are there any other aspects of the committee work from last time that we might consider bringing forward at another date? Maybe that's a separate discussion, Mr. Chair.

The Chair: Thank you.

We'll go to Ms. Glover.

Mrs. Shelly Glover (Saint Boniface, CPC): Thank you, Mr. Chair.

The government side has no problem continuing this study, but the timing is where we might have an issue, simply because of all the members who are no longer here who sat through many of those meetings. It was a very interesting discussion and a very interesting study.

I was going to propose that charities be studied, based on a motion made by Peter Braid that was unanimously agreed to by the House, which is also subject to a provision in the budget. I was going to suggest that it be studied first. I would agree to study this afterward.

That also gives time for the analysts and the clerk to actually develop a plan to educate those members who weren't present during those last studies on how far we had come and on what was discovered.

Those are my thoughts on it.

The Chair: On the charity issue, we dealt with a private member's bill in the last session. You're right that we have to deal with that from the budget.

Is there a timeline? I don't recall the timeline on dealing with the charity motion.

•(1255)

Mrs. Shelly Glover: I don't believe there was a timeline in motion M-559, but I would say it's important that we deal with it as soon as possible, because of the implication of the budget measure on charities. I know they're eager for us to look at it.

The Chair: I'm sure members will be hearing about it from charities.

Go ahead, Mr. Mai.

Mr. Hoang Mai: I'd like some clarification. From my understanding, in the previous committee the studies were made, and then we were waiting for the report. Is that more or less...?

The Chair: We had gone through probably two-thirds of the witnesses. The analysts can comment if they want. They were looking towards drafting a report, but we still had a few witnesses to hear from.

One option for the committee to consider is to have the analysts prepare a background. We could perhaps flesh that out with some of what the committee heard. There were one or two sessions in camera, so there's some challenge in how we relate this to members, but we could certainly have the analysts come in.

If this motion is passed, probably the biggest challenge from the chair's point of view is the timing on where we would fit this material in. Certainly option number one is to have the members review the material from last time.

Mr. Hoang Mai: I understand having the charity issue brought forward. Since the work has already been done, it would be good for us to know exactly what we have. Do we need additional witnesses

in order to finalize the report? We could perhaps finalize that report now as it stands.

A voice: We don't have to, no.

Mr. Hoang Mai: No? I don't know; I wasn't there.

Mrs. Shelly Glover: That's the problem.

Mr. Hoang Mai: That's the problem, eh?

The Chair: If this motion is adopted, my recommendation is to provide the schedule of which witnesses appeared. We then do a summary of the brief and the evidence and provide it to the members for review. Then they can decide if they want to hear from some of the witnesses who appeared before.

There were some good sessions, especially the in camera session. There are many new members of this committee, and I assume they would want to hear from the witnesses directly. There would be at least, I would say, four meetings. That's my guess.

Mr. Brian Jean: Is that your idea, Mr. Chairman? It sounds like a great idea.

Some hon. members: Oh, oh!

The Chair: I'm offering some helpful guidance.

Mr. Hoang Mai: Thank you, Mr. Chair.

The Chair: Go ahead, Mr. Marston.

Mr. Wayne Marston: We were talking earlier about the good work that's done by the committee, but do we actually have a sit-down session in which we order the things we're going to do? We're going to be coming back in the fall.

The Chair: My thinking is that we do that the first week we're back. The first week we're back, we'll finalize pre-budget.

Mr. Wayne Marston: I understand the interest in that.

The Chair: I wanted to get the pre-budget done.

Mr. Wayne Marston: From my view—and I haven't talked to my colleague on it—it might slide quite comfortably in behind something else. We have some time ahead of us now.

The Chair: Over the summer and into the fall, once we get pre-budget, the next thing is for the committee to consider tax evasion and charities. Is there another issue that others have? Let's get them all on the list, discuss them, and prioritize them.

Ms. Peggy Nash (Parkdale—High Park, NDP): I would like some clarification. If there's been good work done on the tax evasion issue, I think we'd all agree that it would make sense for us to capture that somehow, finish the study, and come out with recommendations. To me, it's a timing issue of how long it takes to capture that information.

If the government side believes it's urgent to move forward on the charity issue, then how long a study is that likely to be? Is it something that's fairly short and focused? Could we get it done and then do the tax evasion piece, or is the tax evasion piece at a point where we should finish it off? The charity study is long and involved. It'll require committee visits across the country.

I'd like to get a sense of how those pieces can work together. Our side is not opposed to doing a study on charities, and I don't sense opposition to finishing the tax evasion studies. The question is how we fit them together.

The Chair: I'll let Ms. Glover respond on the charity issue.

My sense is that we'd need four sessions of witnesses on the tax evasion matter, and then you'd probably need at least two to discuss a report. That's just my sense at this point.

Ms. Glover, do you want to respond? You have your name next on the list.

● (1300)

Mrs. Shelly Glover: What I was going to say about the tax evasion study is that it is going to take a long time just for the other members who missed it to get up to speed. Those members are going to have to spend some time reading. Even just the preparation of it, because it was quite long, is going to take some time. There was an invitation to the RCMP, specifically waiting to be done in camera, that would also have to be added on, so it is not quite as close to being finished as Mr. Mai would like to think.

However, as I say, we're happy to do that if the members are prepared to do the follow-up and the reading to get up to speed.

With regard to the charities, a motion has already been put forward and unanimously agreed to by this committee, so I would suggest, as the chair has already stated, that perhaps we could bring these things back when we come back in the fall rather than vote on them today. We don't really have a sense of where we'll be at, other than knowing the pre-budget consultations will take priority. They do take priority.

I would suggest that perhaps we could look at this further. I will look into how long we think the charities might take, but I would like input from this committee as to who they want to hear from on the charities, which is why I'm suggesting we talk about this aspect when we get back from summer break.

The Chair: Thank you.

I have Mr. Brison, Mr. Hoback, and Mr. Marston.

Hon. Scott Brison: While we're on the topic of future business, there is something related to the tax issue, but I think it's more positive and maybe even more constructive as a topic within the area of taxation.

I move that the committee conduct a study on tax reform in Canada. Most tax changes that occur in Canada—and this isn't part of my motion, but just a discussion—seem to be around politics and ideology. I don't think any of us understands as much as we ought to understand about some of the changes that could occur in terms of creating growth and opportunity.

We haven't had real tax reform or a significant study of taxation in Canada since 1971 with the Carter commission. Changes have occurred in the Canadian economy between 1971 and today, and changes in the global economy, so I move that the committee conduct a study of Canada's tax system in order to propose reforms to the system. We can work on the wording, but that's broadly what I would propose.

The Chair: I have three speakers, but I'm going to make a suggestion as the chair, because we are past one o'clock.

Even without adopting this motion, I'm going to suggest that we distribute to members the information on the tax evasion study that was done, regardless of whether the motion is passed, and I'm suggesting that at our first meeting on September 20 we could deal with this motion, a motion on charities, and a motion on tax reform. Then we'll deal with other motions. If members send them over the summer but before September 20, then I, as the chair, will list them all, and we can all discuss them. My sense is that committee members will be agreeable to all of them. Then it's just a matter of where we're slotting them in to study them. That's my suggestion.

I have three more speakers: Mr. Hoback, Mr. Marston, and Mr. Mai.

Mr. Randy Hoback (Prince Albert, CPC): This is just a suggestion. That's actually where I was going to go with my comments, the idea that we should put some meat on the bones and come back and see where it goes. Should we have the steering committee put the meat on the bones, or do you want the entire committee to do it?

The Chair: Let me think about that one.

Thank you, Mr. Hoback.

Mr. Wayne Marston: I have a point of order. If I'm correct, technically you can't distribute something from a previous session of Parliament without a motion. I would recommend that this motion be passed today to allow that information to come forward.

● (1305)

The Clerk of the Committee (Mrs. Guyanne Desforges): That's right.

Mr. Wayne Marston: It's not as if I want to drive a particular point, but I certainly want to be in compliance with the rules, and that was the reason we brought it here today.

The prioritization of what we do we can discuss in the fall. Nobody is trying to push for a particular time.

The Chair: I'm advised that you're correct.

Mr. Wayne Marston: Thank you. It happens once in a while.

The Chair: Go ahead, Mr. Mai.

Mr. Hoang Mai: We need to get up to speed on what happened on the previous committee, so we need to be able to work on the documents as soon as possible.

The Chair: Go ahead, Ms. Glover.

Mrs. Shelly Glover: I'm going to propose an amendment to the motion. Rather than say "that the committee resume its study", I move to amend by requiring "that the committee provide evidence and documentation relevant to the study on tax evasion and offshore bank accounts during the third session of the 40th Parliament".

Mr. Randy Hoback: That is still kept in confidentiality, and with the members? Is that correct?

The Chair: Yes. The public hearings we had are on the website, so it's on the record.

We will add the two issues of charities and tax reform for discussion on September 20, and we'll discuss whether we'll do it by subcommittee or full committee.

The Clerk: That means we cannot go. I don't have the numbers. We don't vote on the motion for the pre-budget consultation.

The Chair: We had two motions to travel for the two weeks and we had specific amounts, but these specific amounts will change based on the travel, and logistics has not yet given us updated numbers. You're saying we have to have specific numbers for the board.

The Clerk: Yes, the board wants specifics. We'll have to wait until September.

The Chair: Okay, we'll do it in September. That's what I asked yesterday, but my understanding is that it has to be specific and contain some background.

The Clerk: Mr. Scheer and the board want details.

Mr. Wayne Marston: We haven't completed the previous motion. We agreed verbally, but can we do a vote on it to complete it?

After that, I have a suggestion on your problem.

The Chair: My understanding was that the motion passed unanimously.

All in favour of the motion?

(Motion as amended agreed to)

Mr. Wayne Marston: To continue on the problem you have, could we, based on past experience, insert numbers—let's say 10%

more than what we would anticipate—to get under way? Would it be possible to correct it later if it should prove to be incorrect? If we find when we start that it's going to be more costly, we would go back. At least that way we could have things started and some of it put into place. If we find we've reached that level of cost, then we would have to get a second motion.

I don't know if that's appropriate. I've not done it before, but the idea is to get this under way. It would be good to get staff started on some of the work.

The Chair: My suggestion is that we work on getting the House to pass the motion that I read out, which is: "That during its consideration of matters pursuant to Standing Order 83(1), that the Standing Committee on Finance be authorized to adjourn from place to place within Canada and to permit the broadcasting of its proceedings thereon, and that the necessary staff accompany the committee".

The Clerk: Nunavik is the complicated one.

The Chair: If the board is asking for specifics, we don't have those specifics.

The Clerk: We don't right now, but we'll try our best.

Mrs. Cathy McLeod: I was just going to suggest you have numbers for everything, so we could perhaps do everything and then in September get the final approval. This way at least we would not be stalling our options.

● (1310)

The Chair: Thank you. We will see you in the House.

This meeting stands adjourned.

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:
Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5

*En cas de non-livraison,
retourner cette COUVERTURE SEULEMENT à :*
Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Additional copies may be obtained from: Publishing and
Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
Telephone: 613-941-5995 or 1-800-635-7943
Fax: 613-954-5779 or 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
<http://publications.gc.ca>

Also available on the Parliament of Canada Web Site at the
following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

On peut obtenir des copies supplémentaires en écrivant à : Les
Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5
Téléphone : 613-941-5995 ou 1-800-635-7943
Télécopieur : 613-954-5779 ou 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
<http://publications.gc.ca>

Aussi disponible sur le site Web du Parlement du Canada à
l'adresse suivante : <http://www.parl.gc.ca>