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Chair

Mr. James Rajotte

Standing Committee on Finance

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• (1530)

[English]

The Chair (Mr. James Rajotte (Edmonton—Leduc, CPC)): I call the meeting to order.

This is the 74th meeting of the Standing Committee on Finance. Our orders of the day, pursuant to the order of reference of Wednesday, June 20, 2012, are the study of Bill C-28, an act to amend the Financial Consumer Agency of Canada Act.

Colleagues, we are here to give clause-by-clause consideration to this bill. I believe we have six amendments proposed for this bill. We have an official from the Department of Finance present in case there are any questions from members, or the officials may wish to comment as well. Welcome to our committee.

I will proceed in order with respect to the clauses. Pursuant to Standing Order 75(1), consideration of clause 1 is postponed. Therefore we will move to clause 2.

(On clause 2)

The Chair: On clause 2, we have an amendment, NDP-1. What I will do as we proceed through is ask a member of Parliament to move the amendment and to speak to it. Then any others who wish to speak to it will please indicate their intention to me, and I will ensure you do so.

We will move to amendment NDP-1.

Go ahead, Mr. Thibeault.

Mr. Glenn Thibeault (Sudbury, NDP): I'd like to move the amendment.

The Chair: Okay, thank you.

Is there any discussion on the amendment?

Go ahead, Mr. Thibeault.

Mr. Glenn Thibeault: Thank you, Mr. Chair.

As the committee is aware, we talked about over the last few meetings that we would really like to see some terms of reference and some guidance for the financial literacy leader. Of course, having a definition of what financial literacy is all about is important. It's missing both in this legislation and in the act that is being amended. By adding a definition, we feel that we can ensure the financial literacy leader has a specific goal to be working towards.

The Chair: Okay, thank you.

Is there any further discussion?

I have Mr. Adler, please.

Mr. Mark Adler (York Centre, CPC): I think it's a mistake to give a specific definition to financial literacy. You know, I was talking over the weekend with my kids. We have nine-year-old twins. They are learning about financial literacy in school right now. We were talking about what they are learning about. They were learning about the fundamentals of finance and banking, how to save your money and investments, and that sort of thing, at a very preliminary and rudimentary level. Nevertheless, they understand it in a way that is fluid and changing over time.

Their definition of financial literacy is not the same as mine from my generation. We need to keep the definition of financial literacy fluid. The only constant is change in our world. By putting strict parameters on the phrase "financial literacy", we're going to run into some problems. We can't run the risk of defining the phrase too narrowly. It would limit the ability of the financial leader at some point in the future in working with new concepts, a new phraseology, new terms, and new concepts that would arise in finance. It would also hamper the ability of the Financial Consumer Agency of Canada to respond to these changing needs.

On this side, we would be against the amendment as proposed.

The Chair: Thanks, Mr. Adler.

A voice: You weren't listening, Mr. Chair?

The Chair: I'm sorry. Someone was involved in the discussion.

Mr. Adler, continue, please.

Mr. Mark Adler: I've concluded. Thank you, Chair.

The Chair: You're done? Okay, thank you.

Go ahead, Mr. Thibeault, please.

Mr. Glenn Thibeault: Thank you, Mr. Rajotte.

I know it's very difficult to be in your position, because you have to be able to five things at once and chew gum and listen, so no worries there.

In relation to my colleague's comments, Mr. Adler said that having a definition of financial literacy is a mistake. Well, on page 4 of the financial literacy task force there is a definition of financial literacy. I believe in the last meeting or so I heard my colleagues from across the room say that this financial literacy leader will just follow the definition that is in the task force recommendation. I don't think having a definition is a mistake. Having a definition is an important piece. If they don't like the language of the one I have presented, fair enough; let's bring the one that is in the financial literacy report as a definition, so that we know the financial literacy leader has a goal that he can be working towards.

Thank you, Mr. Chair.

• (1535)

The Chair: Thank you, Mr. Thibeault.

Is there any further discussion? I have a few people who would like to speak.

Mr. Mark Adler: What's in the report, you understand, is a series of recommendations. It's not legislation. That could be used as a term of reference. Once again, the phrase is evolving. It's fluid. It needs to be. One person's understanding of financial literacy from one generation is not the same as another's. We need to keep the concept of financial literacy without specific criteria and without specific definition. It would be a mistake to ground it; we'd have to go through an entire legislative process and through Parliament to change any definition we'd put into legislation. It would be a mistake to do that. I think we just need to keep it undefined because, like a lot of other things, we know financial literacy when we see it.

The Chair: It is Mrs. Glover, Mr. Brison, and Mr. Hoback, is that correct? Is there anyone else who wishes to speak to this amendment?

Go ahead, Mrs. Glover, please.

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

I want to direct a question to the witness, if that's all right.

Ms. Ryan, thank you for being here; we appreciate it.

Just to be clear, there is no requirement to define this statement, is there, in this case?

Ms. Eleanor Ryan (Senior Chief, Strategic Planning and Trade, Department of Finance): The act does not contain a definition, as the intention was to allow the term to have its ordinary-course meaning in the timeframe that we're in. It can evolve. It can evolve to contemplate what is considered financial literacy and meet the needs of Canadians as we find them now, as we might find them five years from now, or as we might find them 10 years from now.

The other, more technical reason is that it doesn't require the financial literacy leader over time to say, "Could I speak to that stakeholder, collaborate with that stakeholder? Am I technically within this definition?" That's part of what a government agency would always do. If it had a definition, it would try to make sure it stayed within the confines of the definition. A more expansive approach is to have the bill as it is currently drafted.

Mrs. Shelly Glover: I have a quick follow-up, Chair, if I could.

Thank you for that. What you're saying is it could actually limit the ability of the financial literacy leader to collaborate and get advice from elsewhere. Am I accurate in interpreting what you said in that way?

Ms. Eleanor Ryan: That's always the risk when you have a definition. It is meant to have a meaning, and it would depart from what the ordinary meaning would be.

Mrs. Shelly Glover: In that case, I too do not want to see that happen, so I'll be rejecting the amendment. Thank you.

The Chair: Thank you, Mrs. Glover.

Go ahead, Mr. Brison, please.

Hon. Scott Brison (Kings—Hants, Lib.): Thanks, Ms. Ryan, for being with us today.

You've cited that there may be a risk that somehow defining financial literacy in this way would potentially limit the mandate. The amendment proposes that financial literacy means the state of having the knowledge, skills, and confidence to make responsible financial decisions and become more aware of financial risks and opportunities.

What would be an example of another potential definition of financial literacy, in addition to this, that would represent a risk in terms of limiting the mandate, in addition to those cited in the amendment? It would help edify the committee to have an example of another potential definition that we haven't thought of that might, if we were to pass this amendment, limit the mandate.

Ms. Eleanor Ryan: There are many common ways to define financial literacy. Generally these are the kinds of things that are contemplated at this time. I've sometimes seen it described without the words "financial risks" taken into account in the wording. Usually we're talking about making sure that people have the knowledge—so that's the disclosure—the skills, and then the ability to make decisions, to act on the knowledge and skills.

At this point in time, that kind of definition seems in line with others, but whether it will be in line with what is expected on financial literacy in a year, two years, five years.... Really, the approach in drafting is that if one intends the meaning to reside in the current state of affairs, in what is commonly accepted, one relies on the ordinary-course meaning instead of a static definition.

I don't think I can point to a specific aspect that is not appropriate.

• (1540)

Hon. Scott Brison: Thank you.

The Chair: Thank you, Mr. Brison.

Go ahead, Mr. Hoback, please.

Mr. Randy Hoback (Prince Albert, CPC): Thank you, Mr. Chair.

My opinion on this is very simple: the goal is to make sure that the person in this position has all of the abilities to make the relevant changes to the job description as the job description evolves.

When you look at the planning for financial literacy, the description we have today might be totally different from it would be five years from now or three years from now. For example, we're using BlackBerrys, so it's financial literacy when it comes to the case of utilizing a BlackBerry to pay bills or do your banking, or the educational information that will come across your BlackBerry.

There are so many other new technologies and structural changes in that sector that I think it would be a mistake to handcuff him at this point. I think the reality is that our goal here is to establish the position and give the person the mandate to do the job properly. Don't start putting roadblocks in his way so he can't do a proper job. That would be my logic here.

I'd say that this would be a bad precedent to set, because we don't go to our bureaucracy and put roadblocks in the way. We actually just tell them what the goal is, what we want to see as an outcome. We allow them to make the decisions to properly achieve those goals. I think we should do that in this case too.

[Translation]

The Chair: Mr. Caron, go ahead.

Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP): Ms. Ryan, I listened to your answer. It has to be understood that the leader in question will have to work with a variety of stakeholders and partners, be they federal, provincial or other.

The fact that a common definition of financial literacy doesn't necessarily exist might complicate things. Wouldn't it be more beneficial to have a definition to work with, one that would make partners aware of the basic principles and terms of reference they will have to follow?

What's more, when it comes to defining the leader's role during those initial meetings, isn't there a risk that an excessive amount of time will be spent coming up with a common definition of financial literacy, in turn undermining the work that could be done?

[English]

Ms. Eleanor Ryan: I'm not sure that I can add much more to the approach we took in drafting the legislation, apart from the fact that the intention is to allow the meaning to have a sort of living approach: to allow it to constantly evolve, to change, and to shape, depending on the needs of Canadians.

To the extent that we add more guidance in the legislation, it is added in subsection 3(2) of the legislation, which indicates that an important role of the leader is to "collaborate and coordinate" with stakeholders, recognizing, as you indicated, that the job of the leader will be to bring others together, meaning stakeholders from provincial governments, from other federal departments, and from a range of other stakeholders. That was the additional signal we provided in the legislation about the role of a financial literacy leader.

The Chair: Okay. We'll move to the vote on amendment NDP-1.

All in favour of NDP-1? All opposed?

(Amendment negated)

The Chair: Shall clause 2 carry?

(Clause 2 agreed to on division)

(On clause 3)

The Chair: We will now move to clause 3. We have another amendment. We have NDP-2.

I'll again ask Mr. Thibeault to move that amendment.

Mr. Glenn Thibeault: I'll move it.

The Chair: Who would like to speak to it?

• (1545)

Mr. Glenn Thibeault: I'll speak to it, since I moved it.

What we're hoping to do is to solidify the mandate of the financial literacy leader; this ensures that they collaborate across the government's aim to create a position that works with stakeholders, rather than simply to add an additional layer of bureaucracy.

This was something we heard from our witnesses who were here last week. It's something they've talked about. It's the important thing for the financial literacy leader to do. Again, it provides guidelines and a framework for the financial literacy leader.

The Chair: Thank you, Mr. Thibeault.

Would you like to respond, Mr. Hoback?

Mr. Randy Hoback: Thank you, Mr. Chair.

It's rather redundant if you look at the existing authority under the FCAC in paragraph 3(2)(e) of the act, which states "foster, in cooperation with any department, agency or agent corporation of the Government of Canada or of a province, financial institutions and consumer and other organizations, an understanding of financial services and issues relating to financial services".

Again, I think we've already given him broad guidance in what he should be doing and the role he should be serving. I don't think we need to add anything more to that at this point in time.

The Chair: Is there any further discussion?

I will then call the question on NDP-2.

(Amendment negated)

(Clause 3 carried on division)

(On clause 4)

The Chair: We'll move to clause 4. I have no amendments for clause 4.

(Clause 4 carried on division)

(On clause 5)

The Chair: We'll move to clause 5. I have two amendments: NDP-3 and NDP-4.

Do you have a question, Mr. Brison?

Hon. Scott Brison: I have some questions for the witness on clause 5.

The Chair: Okay, but I will deal with the amendments first.

Let's deal with NDP-3. I'll ask Mr. Thibeault to move that.

Mr. Glenn Thibeault: I'll move that, Mr. Chair.

The Chair: Would you like to speak to it?

Mr. Glenn Thibeault: Sure. This amendment would ensure that the financial literacy leader is bilingual. It would ensure that Canadians across the country would have equal access to financial literacy. When he was here, the minister stated that the financial literacy leader would be bilingual, and we are simply trying to make sure that this happens. It is something the Conservatives also agreed with.

The Chair: Thank you, Mr. Thibeault.

Go ahead, Madam Glover.

Mrs. Shelly Glover: Mr. Chair, I want to thank Mr. Thibeault for his interest in ensuring that linguistic duality and bilingualism in our country continue. That's a huge priority for this government. This is why we continue to put forward policies that support that. As an anglophone who learned French in French immersion, I can assure you this is something I take very seriously. That's why I'm very happy that Governor in Council appointments already have criteria that address this matter. Again this would be something that would not be necessary in the bill itself, but as I say, it is always appropriate for all of us to want to support bilingualism and the need for more bilingual leaders in our government and in our public service.

I want to comment that the FCAC commissioner herself is bilingual and did a very good job of expressing the position of the FCAC while she was here talking about this very bill.

Again, its redundancy is something I'm addressing. I would also say that in choosing a financial literacy leader, we do want to make sure there is merit that goes with any appointment and that the person has all of the other tools to make sure we have the best person in place to see this through.

I was quite concerned when our witnesses spoke about choosing the right person. They had some fears that if we don't choose the right person, this could, in fact, not go the way it's intended to go and might not benefit Canadians as it should.

Once again, I'm glad the Governor in Council appointments already contain some criteria for this. I'll leave it at that.

The Chair: We'll go to Monsieur Caron and then Monsieur Mai.

Go ahead, Monsieur Caron.

[*Translation*]

Mr. Guy Caron: Thank you, Mr. Chair.

I appreciate everyone's comments. But the fact that the criteria are designated by the Governor in Council and the fact that they should be included in the bill are two different things. If the Governor in Council determines those criteria, they can be changed rather easily, whereas if they are set out in the legislation, Parliament has to agree to any changes.

Having the right person in the role of leader is key. As with other positions, having someone who knows French and English and has the ability to take into account linguistic differences among the institutions he or she will be working with is a crucial element, in my view. From what the Minister of State, Mr. Menzies, said during his presentation, he also considers this to be an important element. I

understand what other witnesses have said. I find those comments helpful, in that the witnesses genuinely want to see the right person in this position.

And in my experience, the right person must also be someone who is able to work in both languages with the institutions directly, without needing an intermediary, and who is open to adapting potential policies and work methods to the differences between the two languages and the two cultures. In that regard, I think my colleague's amendment on bilingualism is crucial.

• (1550)

The Chair: Very well. Thank you.

[*English*]

Go ahead, Monsieur Mai.

[*Translation*]

Mr. Hoang Mai (Brossard—La Prairie, NDP): Thank you, Mr. Chair.

I absolutely support my colleague's motion on bilingualism. I am quite disappointed to hear that the Conservatives are not going to support an amendment that would safeguard this element in the bill.

Ms. Glover said there was some openness to the idea that it might be more important to give more weight to the person's skills and abilities. If we accept that position, we are to some extent accepting what has happened in the past. What we should do is learn from our mistakes. We've seen the appointment of an auditor general who speaks only one of the official languages and who doesn't understand the other. We've seen that mistake happen.

All this amendment does is really confirm what Ms. Glover was saying, in other words, that the government is committed to protecting official languages, which include French. All we are trying to do is make sure that's included in the bill.

We've seen what can actually happen, we've seen the problem. We've also seen this same government appoint unilingual judges to the Supreme Court. Not accepting this amendment just shows that the government is not committed to safeguarding official languages in Canada.

The Chair: Okay, thank you.

[*English*]

Is there any other discussion on this amendment?

Okay, I'll then call the question on NDP-3.

(Amendment negated)

The Chair: We'll then move to NDP-4.

Mr. Thibeault, would you like to move and speak to that amendment?

Mr. Glenn Thibeault: Thank you, Mr. Chair. Of course I'd like to move this amendment.

This amendment is key, in our opinion, in relation to the financial literacy leader. It creates an advisory council as per recommendation 2 of the financial literacy task force. This ensures that the financial literacy leader is compelled to listen to a full range of stakeholders, a full range of the experts who are out there.

This again was mentioned by the witnesses who were here. They don't want this leader to not be able to coordinate. There is nothing out there right now that outlines that the financial literacy leader will do so; this amendment will ensure that the financial literacy leader, as I mentioned, is compelled to listen to the full range of stakeholders.

Thank you, Mr. Chair.

The Chair: Thank you for the discussion.

Go ahead, Mrs. Glover.

Mrs. Shelly Glover: Thank you, Mr. Chair.

In fact I respectfully disagree with my colleague across the way. Paragraph 3(2)(e) of the act actually already gives this authority, and I'll read it:

(e) foster, in co-operation with any department, agency, or agent corporation of the Government of Canada or of a province, financial institutions and consumer and other organizations, an understanding of financial services and issues relating to financial services

It is in fact already in the act and doesn't require repetition in another section.

I would ask a question of the witness, if I might. In 2010 the commissioner actually used her ability to consult an external stakeholder advisory committee. Was it not under that section of the act that she chose to do that?

• (1555)

Ms. Eleanor Ryan: Exactly.

Under the existing framework of the legislation, the commissioner did establish and does actually currently have an external advisory committee made up of representatives from the public, private, and voluntary sectors. They meet twice a year. They provide the FCAC with advice and subject matter expertise. The FCAC, or the financial literacy leader and the commissioner, can look at the composition of the committee to make sure that it reflects the recommendations of the task force.

Mrs. Shelly Glover: Thank you for the clarification.

Thanks, Chair.

The Chair: Thank you, Mrs. Glover.

[Translation]

Mr. Mai, over to you.

Mr. Hoang Mai: Actually, that's not really a concern. What it really comes down to is respecting the recommendations that were made. On the other side, I'd say we've been talking about that consistently. The first recommendation was indeed to have a leader. But the second was to have an advisory council, as called for in the amendment.

The bill sets out the intention to cooperate, and that's good. But with this amendment, we're proposing a structure. We're saying yes,

it is important that the members represent and reflect the diversity of the stakeholders and that they be appointed by the commissioner. So we're talking about diversification. And that means going further.

I think we can agree that it may end up working that way. But there could be a partisan appointment—not to say that it would happen. We could have a leader with a very closed vision of things, someone who is even slightly partisan. So the point to all this is really to have openness, to have consultation, to have a structure.

In its current wording, the bill doesn't provide for a structure. I think we would all agree that there has to be cooperation. The point of this amendment is really to build the foundation for cooperation and true consultation.

The Chair: Thank you.

[English]

We'll go to Ms. Nash and then Mr. Thibeault.

Ms. Peggy Nash (Parkdale—High Park, NDP): Thank you, Mr. Chair.

Just to pick up on what my colleague said, although there was quite a lengthy delay, it was the publishing of the report on financial literacy that prompted this legislation. The report is very clear that the task force recommends that the Government of Canada establish an advisory council on financial literacy. Their goal in saying that is that it should be a forum for collaboration and provide ongoing financial literacy advice on the implementation and evolution of the national strategy as well as have a council membership that reflects the diversity of stakeholders with an interest in the national strategy.

Now here we are: not only do we not have a definition of what the financial literacy leader should be doing, but there is no clear requirement that there be a diversity of advice or opinion going forward to the financial literacy leader.

It seems to us that this is a very important recommendation. Financial literacy is not just about the banks and it's not just about the financial sector; it is about Canadians right across this country, and their views and their representation come from a diversity of voices. We think that establishing this advisory council is really fundamental to the success and optimal usage of this new position.

We feel very strongly that my colleague has put forward a key amendment.

The Chair: Thank you, Ms. Nash.

Mr. Thibeault is next, please.

Mr. Glenn Thibeault: Thank you, Mr. Chair.

In relation to the comments from my friend across the way, Mrs. Glover, in relation to the FCAC Act and paragraph 3(2)(e) that she was referring to, it's a general clause, with no necessity bearing on what we're talking to here, which is to create the advisory council for the financial literacy leader.

If paragraph 3(2)(e) were good enough, why would the task force ask for something new in relation to their second recommendation? It's obviously not good enough, in terms of what the task force was recommending, and by making sure we have an advisory council, we'll make sure this financial literacy leader is compelled to listen to a full range of stakeholders. We heard that from our witnesses. I truly believe that's what we need in this act.

Thank you, Mr. Chair.

• (1600)

The Chair: Thank you.

Is there any further discussion on this amendment? Okay, I'll call the question, then, on NDP-4.

(Amendment negated)

The Chair: We'll move to discussion on clause 5.

Mr. Brison, you wanted to address clause 5.

Hon. Scott Brison: Thank you, Mr. Chair.

My question is for the witnesses.

First of all, how much of the \$5 million annual budget of the FCAC will be dedicated to activities in support of financial literacy specifically?

Ms. Eleanor Ryan: Currently the FCAC receives \$2 million annually from the government, and all of that is for financial literacy. The government also announced in the budget as well that there will be an additional \$3 million, and that also will be all devoted to financial literacy.

Hon. Scott Brison: Will the financial literacy leader be able to hire his or her own staff, or would that be done through the FCAC?

Ms. Eleanor Ryan: Any employee who works for the financial literacy leader would be an employee of the FCAC and subject to the FCAC Act.

Hon. Scott Brison: How many full-time equivalent positions at FCAC will be dedicated to supporting the financial literacy leader?

Ms. Eleanor Ryan: That's a question that will be worked out once the financial... Assuming Parliament passes this bill and then the financial literacy leader is appointed, it would be the specific call of the financial literacy leader as to how many employees would work on this activity.

Hon. Scott Brison: In addition to the financial literacy leader, how many other staff at the FCAC will be dedicated to activities in support of financial literacy, to put it another way?

Ms. Eleanor Ryan: How many is really a question that the commissioner and the financial literacy leader would set on a going-forward basis. If you wish, I could find out for you how many current staff are devoted to financial literacy and consumer education. That is information I could obtain from the FCAC.

Hon. Scott Brison: What other resources, in addition to the \$5 million annual budget, will the financial literacy leader have at his or her disposal?

Ms. Eleanor Ryan: There is also authority in the bill, if the FCAC and the financial literacy leader should choose to use it, to actually have assessments against financial institutions so that the

rest of the FCAC's activities would be paid for via assessments that the financial institutions would pay. There is an option to also assess financial institutions if the commissioner and the FCAC and the financial literacy leader should determine that it is appropriate.

Hon. Scott Brison: I'm recognizing that the ability of this public official to lead on this to get the job done will often depend on his or her seniority within the public service, so how senior will the financial literacy leader be? Will it be a director-level position, a director general-level position, or an ADM level?

Ms. Eleanor Ryan: That is an element that is to be worked out. The person would report to the commissioner, so in that regard he or she would be below the commissioner in terms of the level of government. That would be part of the selection criteria to be worked out if Parliament should pass this bill.

Hon. Scott Brison: But it hasn't been defined yet?

Ms. Eleanor Ryan: Not that I'm aware.

Hon. Scott Brison: Has it been defined?

Ms. Eleanor Ryan: The answer, as far as I know, is no.

My colleague is just reminding me that is a Governor in Council appointment, so it is the Governor in Council who will decide that.

Hon. Scott Brison: Thank you.

The Chair: Thank you, Mr. Brison.

Shall clause 5 carry? Shall clause 6 carry?

Some hon. members: On division.

(Clauses 5 and 6 agreed to on division)

(On clause 7—*Powers, duties and functions of Financial Literacy Leader*)

The Chair: We have amendment NDP-5 for clause 7, in the name of Mr. Thibeault.

Would you like to move and speak to that amendment?

• (1605)

Mr. Glenn Thibeault: Of course, Mr. Chair. Thank you for the opportunity to once again move this amendment.

This amendment seeks to clarify some of the subjective language in the bill. As it stands, the bill states that he or she may carry on any activity that he or she considers necessary. This gives the financial literacy leader a free reign over all activities without tying that person to best practices or stakeholder advice. In our opinion, making the language more objective removes those risks.

The Chair: Is there further discussion? Go ahead, Ms. McLeod.

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

Certainly I don't perceive this language in the same way the NDP does. It's very clear that the financial literacy leader is the one who determines other activities as necessary in furtherance of the objective. I think this was drafted in a very specific way for a specific reason, and I think it's moving forward in a good way in that respect.

I think your amendment would actually make it more confusing. Perhaps Ms. Ryan or Mr. Behboodi could speak to why the language was developed in that specific way.

The Chair: Go ahead, Mr. Behboodi.

Mr. Rambod Behboodi (General Counsel, General Legal Services, Department of Finance): Thank you very much, Mr. Chairman.

The specific drafting is done to avoid confusion. Whenever you have a phrase that is in the passive language, such as “considered necessary” in the proposed amendment, it becomes very difficult to determine who considers it necessary. By what measure do you determine that it is “considered necessary”?

What you have identified as a subjective element I think, with respect, should be viewed in the context of the act as a whole and of this act. It is not that the financial literacy leader may consider one thing or the other necessary depending on a personal whim, but rather in accordance with the objects of the act itself.

It is a canon of executive action, whatever the executive, that the executive or the appointed person acts only in furtherance of the statutory instrument that grants the executive the authority to act. In this particular instance, the authorities and the objectives and everything are set out in this act and in the context of the FCAC Act as a whole, so when you have a phrase such as “he or she considers necessary”, it is considered necessary in those two contexts.

The Chair: Thank you.

Is there any further discussion?

Go ahead, Mr. Thibeault.

Mr. Glenn Thibeault: Can you clarify that again? We have our amendment saying:

He or she may carry on any activity considered necessary in the furtherance of that

The bill itself reads:

He or she may carry on any activity that he or she considers necessary in furtherance of that purpose

Can you explain that to me one more time in terms of the difference? I'm really not understanding what you're trying to say.

Mr. Rambod Behboodi: Excuse me for not being clear.

The financial literacy leader is appointed as one person under the authority of the Governor in Council. That one person may exercise his or her functions in accordance with the act, so at any given point you can trace the authority and trace what he or she may consider necessary back to the act.

When you have language that is phrased in the passive voice, in this case “considered necessary” rather than “he or she considers it necessary”, it's not at all clear who considers it necessary or by what measure that necessity is determined or considered, which is why, to the extent possible, drafting tends to concentrate on ensuring that a single person who is appointed, or a single entity who is appointed, is held accountable for decisions and for determinations on necessity, in accordance with the statutory instrument.

• (1610)

Mr. Glenn Thibeault: Just for follow-up, then, is this common language that is used? I ask because it doesn't seem that it's been done regularly.

Mr. Rambod Behboodi: I must confess I have not done the research on the gamut of Parliament's enactments, but it is a rule of statutory drafting that, to the extent possible, one wants to attach such judgments to the person exercising the authority under Parliament's authority.

The Chair: Is there any further discussion on the amendment?

I'll call amendment NDP-5.

(Amendment negated)

(Clauses 7 to 13 inclusive agreed to on division)

(On clause 14)

The Chair: On clause 14, we have amendment NDP-6.

Mr. Thibeault, would you again like to move that amendment and speak to it?

Mr. Glenn Thibeault: Thank you once again, Mr. Chair. Of course I'd like to move this amendment and speak to it.

What we're trying to do here is strengthen the reporting standards of the financial literacy leader by requiring the FCAC to report on the outcomes of the financial literacy leader's strategy. As the bill stands, he or she would simply have to list the actions that they have taken without any reference to the success that could be there.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Thibeault.

Go ahead, Ms. McLeod, please.

Mrs. Cathy McLeod: Thank you, Mr. Chair.

Again I perceive that we have something that is redundant and duplicative, because the bill already contemplates a report to Parliament by the FCAC on its financial literacy activities. Of course, part of that would be in terms of an assessment of the leader in this report. In its annual report tabled in Parliament, FCAC really does report on the success of its activities in strengthening financial literacy.

Perhaps the officials could make a brief comment to reassure Mr. Thibeault that this area is important and is addressed within the bill.

The Chair: Ms. Ryan, do you want to address that concern?

Ms. Eleanor Ryan: Yes, it is very much the case that the annual report of the FCAC will require a description of the financial literacy activities undertaken by the FCAC. That current provision, as drafted, empowers that report to be required before Parliament.

The Chair: Thank you.

We'll go to Mr. Thibeault again.

Mr. Glenn Thibeault: Ms. Ryan, what we were hoping with the amendment was to have more than just the actions listed. Will they be referencing the successes of what they are doing, or are they just required to state what they did?

Ms. Eleanor Ryan: In its annual report now, with respect to compliance, FCAC describes its activities, its successes, its improvements year to year, so it would do that for financial literacy as well.

The Chair: Thank you.

Did that convince you?

We'll call NDP-6, then.

(Amendment negated).

(Clauses 14 and 15 agreed to on division)

The Chair: Shall clause 1 carry?

(Clause 1 agreed to on division)

The Chair: Shall the title carry?

Some hon. members: On division.

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

Some hon. members: Agreed.

The Chair: That ends the clause-by-clause consideration of Bill C-28.

I want to thank our officials for being with us here today. We appreciate your comments to the committee. Thank you.

I understand, Ms. Nash, you may want to address the issue of pre-budget consultations and the motion. The clerk had told me that.

•(1615)

Ms. Peggy Nash: Well, it was Mr. Hoback who raised the issue.

The Chair: Sorry; let me just check this.

I'm going to suspend here for a minute.

•(1615)

(Pause)

•(1625)

The Chair: I call this meeting back to order. I want to thank members for their patience.

We have two very small housekeeping items to address.

Mr. Hoback had raised the issue with us regarding pre-budget consultations. Typically, the committee has adopted a motion that we not have substantive motions during pre-budget consultations to enable the committee to do its work and to not allow for interruption of witnesses. I'm going to move a motion that I recommend we adopt as a committee:

That the Committee, for meetings outside of its regular schedule, do not consider any substantive motions.

What that means is if members or parties want to bring motions forward, they would have to do so between 3:30 and 5:30 on Mondays and Wednesdays, and the motion would have to be addressed in that time as well. As you all know, we've added a number of hours especially for pre-budget consultations; this motion would not allow motions to occur from, say, 5:30 to 6:30 on Monday and Wednesday evenings or Tuesday and Thursday meetings.

Go ahead, Mrs. Glover.

Mrs. Shelly Glover: Mr. Chair, when we have witnesses confirmed to attend even on the Mondays and Wednesdays, is it the case that we may have motions that will come forward and perhaps delay our hearing of the witnesses on pre-budget consultations who have travelled here from across the country?

The Chair: The way I've done motions in the past, which seems to work fairly well, is that if I have a motion and I know it's coming forward that day, I will allocate a time period at the end of the meeting. If a member really wishes it to occur during the pre-budget consultations session, first I would see if they'd want to do it at another meeting so that we'd be able to do it. However, if we had witnesses, my suggestion would be that we would hear witnesses from 3:30 to 5:00, and then deal with the motion, and then deal with the second panel of witnesses. Hopefully, if we can deal with the motion in 15 minutes, we wouldn't take too much time away from witnesses.

Does that answer your question?

Mrs. Shelly Glover: It does, Chair. That would be my concern. Again, in pre-budget consultations the potential exists, then, that we would be interrupting witnesses who have travelled here a great distance. If they're lengthy, will we cut it off at 5:30, so we wouldn't go over? How are we going to deal with that? It's the process that I'm questioning here.

The Chair: If this motion passes, then we would have to deal with the motion by 5:30.

Now, I'm just saying that. In typical parliamentary procedure, a member can move a motion at any time they have the floor, so if an issue came up such that a member wanted to move it when the witnesses were sitting there, the member could do so. I would recommend they not do so, as the chair, but it's parliamentary practice that they can do so. We can't take away the right of that member to do that. That happens regardless of what study we're on, if we're sitting during our regular hours.

Mrs. Shelly Glover: Right, except that we did have a joint motion and an agreement that we wouldn't put forward motions. I don't have a problem if our motion today says that we'll do it on those regular days but that we only have the half-hour window. I'd hate to see us say, "Yes, let's go ahead", and then have a two-and-a-half-hour debate when we've got witnesses waiting. That would look bad on behalf of the committee.

I'm happy to do that if it is between the 5:00 and the 5:30 timeframe, but then it stops and the witnesses come forward. Sometimes filibustering happens, and I just don't want to see us bring people from across the country at an expense and be stuck in that position. That's all I'm concerned about, Chair.

The Chair: I don't want to see that either, but I'll just be very clear.

I as the chair can recommend, and I always have recommended, that we not do them when witnesses are here, but I cannot prevent a member from doing it, whether it's government or opposition. The clerk can comment if he wishes. We could write something that specific. Members are free to move motions unless you adopt something that says you will not deal with any substantive motions at any time, which....

•(1630)

Mrs. Shelly Glover: May I move a motion, then?

The Chair: We can amend or we can have discussions offline and come back to it. I thought we had agreement. I don't want to get into a protracted discussion on it.

If there's not agreement, we can always come back to it on Wednesday. Why don't we discuss it and come back? I sense there isn't agreement here.

Mrs. Shelly Glover: We have an hour to discuss it.

The Chair: Okay. We can keep going if the members want to keep going.

Go ahead, Monsieur Caron.

[Translation]

Mr. Guy Caron: That kind of resolution is more of an agreement between the parties to ensure there aren't any motions, especially during trips. That is my understanding. There could be a power imbalance. The fact is it's hard to have one member stand in for another in committee during a trip, somewhere else. That's also how it worked during prebudget consultations when we were on the road.

Since we are here now and we have the option of bringing someone in to replace us when we are away and motions are being introduced, I find the compromise that was suggested perfectly acceptable.

I also want to point out that it would be unfortunate not to hear from witnesses who come to make a statement. We certainly should avoid that to the extent possible. I am sure that other things will arise over the course of prebudget consultations. For example, afternoon votes are likely to cut down on the time we have. Unfortunately, it can't be helped.

So far, I think all the parties have acted in good faith. As I see it, we should continue in that spirit and follow the rules of compromise proposed. It doesn't benefit anyone to have witnesses, who have often travelled quite a distance to be with us, show up for nothing. We must hear from them.

[English]

The Chair: Thank you.

Go ahead, Mrs. Glover.

Mrs. Shelly Glover: Can you read the motion for us again? I may have misunderstood it. I just want to make sure I got it right.

The Chair: It reads:

That the Committee, for meetings outside of its regular schedule, do not consider any substantive motions.

Mrs. Shelly Glover: Then it does end at 5:30, which was my concern. Then we're fine with that. Thanks.

The Chair: Go ahead, Mr. Brison.

Hon. Scott Brison: Mr. Chair, just to clarify, this is identical to the motion we've had guiding our hearings in pre-budget consultations in other years, is it not?

The Chair: This was last year's. It says: That the Committee not undertake consideration of any substantial motion during the hearings in Ottawa, Ontario; in travel to St. John's, Newfoundland; Moncton, New Brunswick...

...and it does all the places.

Hon. Scott Brison: But in substance it is the same motion.

The Chair: It is.

Hon. Scott Brison: It's not a new concept for the committee.

The Chair: It's not a new concept.

Hon. Scott Brison: That's my point.

Mrs. Shelly Glover: I'm sorry, Mr. Chair, but unless I'm out to lunch today, what I just heard was that the previous motion says we would not undertake any substantive motions.

I'm happy to go with the motion that was just put before, but now the chair says to Mr. Brison that the motion we put forward says we can put motions forward between 3:30 and 5:30 on our regular days and that it's the same as the last one, but they are completely different.

I'm lost in translation somewhere as to the difference between the two, because I see them as completely different, and the chair is indicating they are exactly the same. I'm sorry, but I would ask for your enlightenment, because to me they are completely different.

The Chair: How are they completely different?

Mrs. Shelly Glover: In the one it says we're not entertaining any substantive motions at all.

•(1635)

The Chair: Correct me if I'm wrong, Mr. Brison: I thought you were asking if there was precedent for what we're doing with respect to the motion today.

With respect to the motion today, this will allow motions between regular scheduled time for pre-budget consultations, which in the past it has not, so in that sense there is a difference between this motion and that motion.

With respect to the concern from some of the members of the opposition, it's that if they have a motion to bring forward and we have a number of pre-budget consultation meetings that have been allocated, it may be a number of days before they could raise a motion before the committee. That's why I thought that the three parties had agreed to this motion.

They are not exactly the same. Am I fair in my understanding, Mr. Brison, that you wanted to know that this motion didn't come out of thin air and that there was a precedent for doing a motion like this?

Hon. Scott Brison: Definitely.

The Chair: Members of the committee can do the full motion not to do any hearings during the Ottawa hearings as well, but we're not travelling this year. The primary reason for doing that in the past was that we travelled all over the country.

Is there any further discussion? Okay.

All those in favour? Thank you.

(Motion agreed to)

The Chair: The second small housekeeping item, ladies and gentlemen, deals with the schedule on Thursday, November 8. We have a meeting scheduled then for 3:30 to 5:30. It's a second meeting on Bill C-377.

The House schedule has been amended such that we are not sitting on Friday, November 9, and Thursday, November 8, will be a shortened day. It will be a Friday day. Therefore, I think there is agreement to move that meeting to November 7. Is that correct?

We will move the November 8 meeting, which is the second meeting on Bill C-377, to become a meeting from 3:30 to 5:30 on Wednesday, November 7. That November 7 meeting had previously been a meeting for potential government bills; that meeting will move to the meeting after the break week. It's just to accommodate members' schedules. Is that okay with everyone?

Okay, thank you. That's all I have for today.

The meeting is adjourned.

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