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Chair: Mr. Joël Lightbound



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• (1535)

[*Translation*]

The Chair (Mr. Joël Lightbound (Louis-Hébert, Lib.)): Good afternoon, everyone.

I call this meeting to order.

Welcome to meeting No. 84 of the House of Commons Standing Committee on Industry and Technology. Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Pursuant to the order of reference of Monday, April 17, 2023, the committee is resuming consideration of Bill C-34, an act to amend the Investment Canada Act.

A reminder that all comments should be addressed through the chair. For the safety of our interpreters, please ensure that you speak into the microphone that your headset is plugged into.

I'd like to welcome back our witnesses today: Mark Schaan, assistant deputy minister, Strategy and Innovation Policy Sector; Jamieson McKay, director general, Investment Review Branch; James Burns, senior director, Investment Review Branch; and Mehmet Karman, senior policy analyst, Investment Review Branch.

I hope everyone had a good summer. We are pleased to see you again. I would also like to welcome the Parliamentary Secretary to the Minister of Innovation, Science and Industry, Ryan Turnbull, who is participating before our committee.

Voices: Hear, hear!

[*English*]

The Chair: I'm not sure the applause will last. I hope it lasts the whole session. We're off to a good start. Thank you for that, colleagues.

Before we get back to Bill C-34, I know there are some study motions that some of you want to table. We'll get that out of the way and then we'll resume with Bill C-34.

I yield the floor to Mr. Perkins.

Mr. Rick Perkins (South Shore—St. Margarets, CPC): Thank you, Mr. Chair. Welcome back.

Mr. Turnbull, welcome to the committee.

Officials, it's good to see you again. I'm sure you missed us over the summer.

Mr. Brad Vis (Mission—Matsqui—Fraser Canyon, CPC): They're ready for a filibuster.

Mr. Rick Perkins: Is this the finance committee?

I have a study motion to move. I think Mr. Vis will move the other one. I'll get right to it.

The clerk has just distributed them. I understand we'll debate and discuss them once we're through Bill C-34, so this won't delay clause-by-clause.

I move:

That, pursuant to Standing Order 108(2), the committee invite the Parliamentary Budget Officer to appear for two hours, to address the report, "Break-even Analysis of Production Subsidies for Stellantis-LGES and Volkswagen".

The Chair: Thank you, Mr. Perkins. As you mentioned, if we all agree, we'll get back to it at the end of the meeting. That motion has been tabled.

Mr. Vis.

Mr. Brad Vis: I'd like to move:

That, pursuant to Standing Order 108(2), the committee order the Department of Innovation, Science and Economic Development Canada to release a redacted copy of the Strategic Innovation Fund contracts with Volkswagen and Stellantis to build a battery plant in Windsor and St. Thomas, Ontario, in order to understand the contract that was agreed upon by both parties, and that such release be given to the committee via email no later than October 3, 2023, and that no speaking restrictions be placed on committee members with regard to said contract.

The Chair: Thank you very much, Mr. Vis.

[*Translation*]

Mr. Lemire, you have the floor.

Mr. Sébastien Lemire (Abitibi—Témiscamingue, BQ): Thank you, Mr. Chair.

I'd like to welcome everyone, especially Mr. Turnbull. I hope we can keep up this collaborative spirit that is so dear to us, because the committee has a particularly busy fall ahead.

I would like to propose a study to the committee on the modernization of the regulatory framework and the convergence of wired and wireless products. The motion reads as follows:

That, pursuant to Standing Order 108(2), the Committee undertake a study on the modernization of the regulatory framework and the convergence of wired and wireless products to ensure that future decisions are informed by robust data and recommendations for the benefit of all consumers in terms of accessibility and affordability; that it examine this convergence with relevant stakeholders and what they can enable through technological advancements such as 5G, fibre optics, Wi-Fi 6, and many others; that it examine the need for ubiquitous connectivity, necessary data transmission speeds, and innovative opportunities for businesses and consumers in Canada and internationally; that it scrutinize the operating costs of these technologies and the maintenance of so-called critical infrastructure; that it specifically investigate unused spectrum in more remote and rural areas as well as deployment targets; that it examine telecommunications tower construction programs and infrastructure deployment financing; that the Committee allocates a minimum of 6 meetings for conducting this study and that it report its findings and recommendations to the House.

● (1540)

The Chair: Mr. Lemire, has your motion been distributed?

Mr. Sébastien Lemire: No, it hasn't, but I don't think it'll be discussed today. Still, it could be, so we are sending it right now, Mr. Chair.

The Chair: Fantastic. Thank you very much.

Mr. Sébastien Lemire: I think it's important.

If I may, I would like to move a second motion, which has to do with the sale of Future Electronics. I move:

That, in accordance with Rule 108(2) of the Regulations, the Committee undertake a study on the sale of Future Electronics; that it examine the acquisition transaction of this company by a business partially owned by Chinese interests; that the Committee schedule a meeting to conduct this study and report its findings and recommendations to the House.

The Chair: Thank you very much, Mr. Lemire.

Mr. Vis, the floor is yours.

[*English*]

Mr. Brad Vis: Excuse my interruption, Mr. Chair. When I read out my notice of motion, I realized that it could be misinterpreted.

I only mentioned the SIF contracts, but I was also alluding to the production contracts. There are actually four contracts in question. The spirit of the motion is that we see all four contracts.

Thank you.

The Chair: Thank you, Mr. Vis. That's understood.

Next is Mr. Masse.

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

I was wondering whether we're going to have a subcommittee meeting to look at what legislation is going to come forth and so forth. Some of these motions are excellent. Actually, they're all really good motions, and in different ways. I have amendments to them, but at any rate, I'm just wondering whether we're going to have our own planning meeting, because it will be interesting to find out where Bill C-27 stands as we're working through this.

Obviously, the one by Mr. Perkins with regard to the PBO officer is just one meeting, so that's easy to deal with and dispense with, but the other suggestions are more comprehensive and would require planning.

I'll just throw that out there. Maybe you can share with us how you would like to deal with this or if we are going to go one-off at them at the end of the meeting if there's time, or maybe on Thursday, if we can get through Bill C-34 today or next week.

The Chair: Just to provide a bit of context on the idea for Thursday's meeting, I'm hopeful that we'll get Bill C-34 done, and we can free our friends who've been with us over many meetings. Thursday would be a steering committee meeting so that we can hash out the plan, in particular with regard to Bill C-27 and how we intend to approach it, and also, perhaps, if we have time, to vote on some of the motions that have been presented and how we intend to deal with them.

Mr. Brian Masse: Okay.

The Chair: That would be Thursday, though I hear that we might get cancelled on Thursday because of the state visit.

Mr. Rick Perkins: It's Friday morning.

The Chair: Is it Friday? Okay. Then we won't be, most likely.

Mr. Perkins is.... As you know, they don't tell me anything, but they tell everything to Mr. Perkins.

Mr. Brian Masse: He's a wily guy.

The Chair: We'll have the chance, then, on Thursday, with the steering committee, to look into it.

Mr. Brian Masse: Nobody knows the bubble of Ottawa better than Mr. Perkins.

Voices: Oh, oh!

The Chair: We're privileged to have him on this committee, then.

Without further ado, let's get back to Bill C-34.

As you might recall, colleagues, we were at new clause 8.1 and the NDP-2 proposal, which is at page 4.1 of your package.

● (1545)

Mr. Brad Vis: Chair, I'd like to speak to that as well.

The Chair: I recognize Mr. Vis and then Mr. Gaheer.

Mr. Brad Vis: Thank you.

In respect of clause 8.1, I'd like to move a subamendment, which reads as follows: "the effect of the investment on privacy interest, including, without limiting the generality of the foregoing, on the use and protection of personal information about Canadians; the effect of the investment on intellectual property interests including, without limiting the generality of the foregoing, on rights relating to intellectual property whose development has been funded in whole or in part by the Government of Canada".

During committee meetings, government officials warned members that listing individual factors in considering a net benefit review could potentially create the adverse effect of disallowing additional factors from being considered that aren't listed in the bill when conducting a net benefit review. This amendment seeks to address those concerns by broadening the examples covered under this section even if they are not specifically listed as examples, and in doing so will ensure that issues not listed under section 20 of the ICA are still considered when conducting a net benefit review, while also guaranteeing that both IP development and Canadian privacy are factors considered.

This was done in good faith to the NDP amendment to make sure that we could see the spirit of Mr. Masse's amendment pass with those concerns addressed.

Thank you.

[*Translation*]

The Chair: Okay.

We're now debating Mr. Vis's subamendment to NDP-2.

Go ahead, Mr. Masse.

[*English*]

Mr. Brian Masse: Thank you, Mr. Chair.

I see this as a friendly amendment to what we're trying to get. I thank my colleagues for providing this to me in advance.

I don't have any further questions. I think Mr. Vis has explained the subamendment and, really, the amendment itself very well.

Thank you.

[*Translation*]

The Chair: Mr. Gaheer, you have the floor.

[*English*]

Mr. Iqwinder Gaheer (Mississauga—Malton, Lib.): Thank you, Chair.

Through you, we've had a summer, obviously, since we last debated this. I would like to get the expert's view on what the original amendment does and what Mr. Vis's subamendment does to it.

The Chair: Mr. Schaan, go ahead.

[*Translation*]

Mr. Mark Schaan (Senior Assistant Deputy Minister, Strategy and Innovation Policy Sector, Department of Industry): Thank you, Mr. Chair.

[*English*]

Thank you, members.

If I understand the subamendment correctly, I think one of our concerns prior to the summer break was not to give the false impression or potentially confuse the situation that something that is already able to be considered is actually able to be considered.

I have two thoughts in the context of the subamendment. It is helpful in that it suggests that it's not without prejudice to the foregoing, as in it broadens the consideration. The contention, though,

is that privacy matters and intellectual property matters are already factors eligible for consideration under net benefit reviews. It's less of a concern about whether or not it's only privacy and intellectual property—because we've listed them—and more actually that we might be undoing the generality of the current provisions that actually suggest that these are already reviewable factors. I think there had been some consideration, prior to the break, as to whether or not a “for greater certainty” clause could be clear that these are including but not limited to. I think that was potentially the spirit in which this was understood.

[*Translation*]

The Chair: Thank you.

Mr. Gaheer, did you want to add anything?

[*English*]

Mr. Iqwinder Gaheer: Is there not a question of inadmissibility in regard to this amendment and subamendment?

Mr. Mark Schaan: I can't speak to the inadmissibility. I think there had been some consideration as to whether or not a further subamendment would actually simply make it very clear that these are factors that were not necessarily precluded from consideration but that could be or already were included.

The Chair: Mr. Masse, go ahead.

Mr. Brian Masse: Thanks, Mr. Chair.

There was that discussion on it. That's correct. Again, I think that's complementary to it. Without revisiting the whole debate, it was about those two issues becoming more dynamic in our current laws. We wanted to reinforce touching on them. We don't want to prejudice something else. I'm supportive of both of those initiatives.

● (1550)

The Chair: Thank you very much, Mr. Masse.

Mr. Lemire, go ahead.

[*Translation*]

Mr. Sébastien Lemire: I would like to know how that fits in with the measures related to the U.S. Inflation Reduction Act. How do we align the two acts? Is Canada being penalized?

Mr. Mark Schaan: If I understand the question correctly, Mr. Chair, it's about the role of the U.S. Inflation Reduction Act. There are support measures, but I don't see a connection between this proposal and the U.S. legislation.

Mr. Sébastien Lemire: I just want to make sure of one thing, given the protectionist measures that have been adopted and the negotiations with the United States and the Biden administration. Could an amendment like that undermine Canada's competitiveness or the protection of personal information, among other things, in Canada? It touches on a wide range of things.

Mr. Mark Schaan: I thank the member for his question.

I don't have a direct answer, because I don't know how this will directly affect Canada's relationship with the United States. However, privacy and intellectual property are now considered under the Investment Canada Act, without harming Canada's relationship with the United States.

The United States also has a different approach to intellectual property and privacy. At the moment, the way the two countries look at these two things is not disruptive to their relationship.

Mr. Sébastien Lemire: Okay. Thank you.

The Chair: Thank you.

Is there any further discussion on the subamendment before we vote on it?

Go ahead, Mr. Turnbull.

[English]

Mr. Ryan Turnbull (Whitby, Lib.): I just want some clarification from Mr. Schaan

Do your comments imply that this subamendment would undermine the general nature of the net benefit review? Is that what I'm understanding? Am I understanding you correctly?

Mr. Mark Schaan: Yes.

Our concern prior to the summer recess was that such a clause, by giving—to use a colloquial term—a shout-out to privacy and intellectual property, might suggest that intellectual property and privacy aren't currently factors under consideration of the net benefit review, when very much, in our understanding and in our reading, they are. In many ways, I think our goal would be to see a subamendment that would assure those reading this that the imposition or the introduction of these two factors isn't at the expense of the consideration, that they were already there as factors for consideration under the net benefit review.

The Chair: There are no more comments, so we'll move this subamendment presented by Mr. Vis, which you've all received, to a vote.

(Subamendment negatived: nays 6; yeas 5)

[Translation]

The Chair: We're back to NDP-2, which would add clause 8.1 to the bill.

Mr. Masse, you have the floor.

[English]

Mr. Brian Masse: We went through this dance before with regard to it. There actually was kind of an agreement with the Liberals to do it, so it's pretty shocking to start this way because that was actually the understanding. We went through a lot of talk and testimony, and what we heard in terms of the response was kind of the “false straw man” argument about somebody reading legislatively through this. It actually isn't based upon any real substance or anything other than just an impression that it may or may not happen. It's the bogeyman argument we've been getting.

I'm not going to revisit all that, but I just have to say I'm pretty disappointed because we had actually reached a common agreement on this and apparently that's been torn up.

● (1555)

The Chair: Thank you, Mr. Masse.

Mr. Gaheer, go ahead.

Mr. Iqwinder Gaheer: We recognize that we had reached an informal sort of agreement.

Mr. Brian Masse: It wasn't informal.

Mr. Iqwinder Gaheer: We would ask the clerk to circulate the new version of the amendment. It should be in your email already. I'd like to move a subamendment—

The Chair: Okay, it's a subamendment.

Mr. Iqwinder Gaheer: That's it exactly—it's a new subamendment—and I think it should achieve what Mr. Masse is looking for. It will be our compromise to make sure we're not undermining the general nature of the net benefit review.

The Chair: I understand you're moving the subamendment that was circulated via the clerk.

Mr. Iqwinder Gaheer: Yes. It was circulated just now.

The Chair: Is there a paper copy, Mr. Gaheer, for members?

I believe it was circulated via email to all members of the industry committee this morning. Was it not?

The subamendment proposed by Mr. Gaheer was circulated, but it will be circulated by the clerk again via email so that all members can see it. I'll give maybe a minute or two for members to consider it before we start debate on it.

Colleagues, I will suspend for two minutes for the subamendment to reach everyone's mailbox.

● (1555)

(Pause)

● (1559)

The Chair: I understand that it has been received by everyone and circulated by the clerk. We can resume this meeting.

The subamendment is proposed by Mr. Gaheer. It's up for debate if there are any comments. Otherwise, I'll move it to a vote.

Yes, Mr. Turnbull.

● (1600)

Mr. Ryan Turnbull: I have a question for clarification: Was this circulated on June 21?

The Chair: I believe it was. I haven't verified if there was any change to the language.

Mr. Ryan Turnbull: So the stuff we've been hearing, the comments, were not actually accurate. This actually was circulated on June 21.

The Chair: I believe it was, Mr. Turnbull, but—

Mr. Ryan Turnbull: I'll get evidence of that just so we don't have to—

The Chair: It was circulated also this morning, but I believe that it might be a slightly different version. I'm not sure.

Go ahead, Mr. Masse.

Mr. Brian Masse: I'm not going to support this, because it would be a hypocrisy for me. I'll let them have the amendment. It's ridiculous what's happening here. It's unfortunate. We had all summer to work on this. There was an agreement. We worked on a lot of these amendments in good faith. I even dropped out some amendments that the government was uncomfortable with on a few different things.

It's funny, because I've been in touch with ministers all over the summer, with some of them coming to do fundraisers in my riding and others to actually come and meet with me. There were a variety of opportunities when this could have been brought up as something. It's disappointing, because this committee actually has a history of working together and actually living up to its word. Everybody has a right to drop an amendment or a subamendment at any point in time, but there is generally a piece of courtesy involved. In fact, I voted for some Liberal subamendments related to this because that was the deal. I was supposed to get my amendment passed. The concerns that were raised are really nothing more than straw men with regard to the concerns on my amendment.

It's pretty shocking and surprising that we want to start this way, but if that's the case, then fair enough. Perhaps it's just because somebody wants to have their own name on an amendment. I don't know, but it's a pretty significant double-cross when you think about it, especially given the history of what took place in supporting the other Liberal amendments that we did change during this legislation.

Sadly, we start this way, but that's okay.

The Chair: Thank you, Mr. Masse.

Next is Mr. Gaheer.

Mr. Iqwinder Gaheer: I'd like to communicate to my colleague, whom I respect a lot. I've served on this committee with him for two years, and I know that he has a lot more experience on this committee than I do. This is a not a slight to him or his amendment. We're just introducing a little more certainty. This committee has debated individual words within amendments, so I don't see what I've done that's wrong here. Again, this should have been circulated, I think, on June 21, and it was circulated again this morning.

Again, this achieves the purpose the member is looking for. I don't think there needs to be much debate. We're just clarifying language.

The Chair: Thank you, Mr. Gaheer.

I have Mr. Perkins.

Mr. Rick Perkins: I'll be voting against this simply because the Liberals voted against essentially the same amendment just a few moments ago, with the addition of three words, which, at the time, the officials, in reviewing ours, said provided the greater certainty and greater clarity that we want, but the Liberals chose to vote

against it for the purpose of putting in their own motion that does essentially the same thing. It's a goose-and-gander sort of thing.

The Chair: If there are no more comments on this we are voting on the subamendment proposed by Mr. Gaheer, reference number 12546585, that was circulated to members via email.

An hon. member: It's not in our email.

The Chair: Give me a second to make sure that we have the right reference numbers for the amendments we are voting on because the one I just received....

Mr. Gaheer, to be sure, is this the correct version, the one that was sent by the clerk, reference number 12546585?

• (1605)

Mr. Iqwinder Gaheer: That's correct.

The Chair: If it's clear to all, I'll ask the clerk to proceed to a vote.

(Subamendment agreed to: yeas 6; nays 5 [*See Minutes of Proceedings*])

[*Translation*]

The Chair: That brings us back to NDP-2, now as amended.

Seeing no further discussion, I will call the question on this amendment.

(Amendment as amended agreed to: yeas 11; nays 0 [*See Minutes of Proceedings*])

[*English*]

Mr. Rick Perkins: On a point of order, I've just done a quick review of the package of amendments for the committee that was sent in late June, and I don't see this amendment in that, unless I'm missing it.

Who is it from? I've gone through it, and Mr. Turnbull said it was circulated then. I don't see it.

The Chair: The subamendment was properly presented, Mr. Perkins, and distributed. We can do forensics to look at the exact date on which it was first submitted, but I'm not sure that it's a useful use of committee time, so we'll leave it at that, if you don't mind, and move on to amendment CPC-5 on clause 12.

(On clause 12)

The Chair: Mr. Perkins, go ahead.

Mr. Rick Perkins: Thank you.

Bill C-34 doesn't do anything to trigger a national security review when purchases of strategic assets are made—such as IP data, mines, land or machinery—separate from the actual company itself. The current amendment seeks to expand the application of what constitutes an investment that is injurious to national security by expanding the application of a national security review to any acquisition of an asset made by SOEs of a Canadian business.

While Bill C-34 allows for the minister to conduct a national security review of acquisitions by non-Canadian companies, the bill does nothing to trigger a security review when strategic assets are purchased by a state-owned enterprise. The concern is supported by much of the evidence presented at INDU during the committee study and by witnesses on this bill. For instance, Jim Balsillie recommended that the bill should do more to protect assets deemed critical to Canada's security and prosperity by broadening the focus of any review to include assets of strategic technologies and industries.

The Chair: We've all heard the terms of the proposed amendment to clause 12, CPC-5.

Mr. Gaheer, go ahead.

Mr. Iqwinder Gaheer: This amendment, in my reading, expands the jurisdiction of the ICA national security review to asset sales by SOEs?

Mr. Rick Perkins: That's correct.

Mr. Iqwinder Gaheer: Including this amendment could be interpreted as narrowing the scope, as it's currently interpreted, but we can ask the experts if they believe so. I would also like to bring forward a subamendment.

• (1610)

The Chair: First, we'll go to our officials for the question you just asked, and then you can present your subamendment.

Mr. Schaan, go ahead.

[*Translation*]

Mr. Mark Schaan: Thank you, Mr. Chair.

As I said in June, we have acted on cases that include the acquisition of assets of a Canadian company.

[*English*]

It is our interpretation and continuation of the implementation of the act that the study and application of the act to asset sales are already contemplated. I think our discussion in June was that this would be, again, helpfully clarified if it noted that this was, in fact, already within the jurisdiction of the act, because we've actually taken cases with this use case in mind.

The Chair: Thank you.

Mr. Gaheer still has the floor, Mr. Perkins, but I see that you have a question for the officials.

If you don't mind, Mr. Gaheer...

Go ahead, Mr. Perkins.

Mr. Rick Perkins: Thank you, Mr. Chair.

Just to clarify, where in the act does it say that asset sales are reviewable—in the act, not in policy or regulation?

Mr. Mark Schaan: As it was described in June, the outline of what is reviewable under the act is already determined to be set out in factors that are quite wide to allow for a wide array. You won't find specific references to particular technological terms or aspects in paragraph (b) in order to allow for the continuation of the act to apply in a whole host of use cases, including those of asset sales.

As I've indicated, we actually have proceeded in this domain, and it is not only our view but has been our action that the act already applies in this particular zone. We would just want to make sure that this call-out to this important aspect isn't actually at the cost of suggesting that it wasn't there before.

Mr. Rick Perkins: This was another suspenders and belt one, which we talked about: We want, for greater certainty, to use words from the previous motion, for that to actually be in the act.

Mr. Mark Schaan: I realize our drafting conventions are annoying, but we just want to make sure that we preserve our capacities.

The Chair: Mr. Gaheer.

Mr. Iqwinder Gaheer: Mr. Chair, thank you.

I'm asking for a brief pause. There seems to be a little bit of confusion about what's been circulated and what has not. I'd like to speak to my colleagues, as well, so I'm asking for a brief pause.

The Chair: Given that we've had two months away from the House and from the joys of Bill C-34, I will grant a very short pause because I believe some of these discussions could have happened before the committee.

I'll briefly suspend for two minutes.

• (1610)

(Pause)

• (1620)

The Chair: Colleagues, we're going to resume, please.

We were on clause 12. I hope the confusion has dissipated and we're all on the same page.

We were at CPC-5 on clause 12. Is there any more discussion on CPC-5?

I have Mr. Perkins.

Mr. Rick Perkins: I don't know about this, but thank you, MP Turnbull, for the clarification.

This is the part where I'm not sure if it's in order. I know that another amendment is coming in the same area, and just in the consideration of whether it should be this one or the next one, my non-lawyer reading of it is that the coming amendment is actually a narrowing of this, because it's saying that it has to be the significant assets of a corporation, not just assets but "substantially all of the assets". This is very different from the one we have.

To me, based on what Mr. Schaan said, it actually would be a narrowing over what exists in the act, but I'm not a lawyer.

The Chair: I don't know if Mr. Schaan wants to intervene. Then we'll move it to a vote.

Mr. Mark Schaan: Once the word “assets” is in one of these amendments, including substantial assets, it would allow for guidance to be able to issue as to what that means. The problem with any asset is that, if I sell a photocopier and I run a laser business, I potentially am now encumbered by the act because I'm actually selling an asset, and the asset may or may not be substantive to the operations of the business.

There are both resource implications in terms of the number of company and asset transactions that are suddenly within our purview of review, and then also the degree to which we have the capacity to be able to actually issue guidance. The rationale for this determination is for us to be able to issue guidance to ensure that what we're getting at is actually meaningful.

• (1625)

The Chair: Mr. Vis is next.

Mr. Brad Vis: Just in response to that, it's important to understand that it's only applying to state-owned enterprises. The scope of companies in Canada that state-owned enterprises would be interested in acquiring is in fact very narrow, so we're not applying it to general commerce here. We're only applying it to state-owned enterprises, which already narrows the applicability of this clause in the first place. I would kindly disagree with your assessment there.

Thank you.

The Chair: It's on the record. Thank you, Mr. Vis.

Are there any more comments on CPC-5? Otherwise, I would ask Madam Clerk to move to a vote.

(Amendment agreed to: yeas 11; nays 0 [*See Minutes of Proceedings*])

[*Translation*]

The Chair: CPC-5 is therefore carried unanimously.

We now move to CPC-6, which is on page 8 of the bundle of documents.

[*English*]

I will yield the floor to Mr. Perkins.

Mr. Rick Perkins: *Merci*, Monsieur Chair.

My French is so good.

Some hon. members: Oh, oh!

The Chair: You were in Quebec City not too long ago.

Mr. Rick Perkins: It was last week.

Bill C-34 does not provide exceptions for the national security review for Canadian allies. The rationale is that several witnesses expressed concerns that a national security review process could harm legitimate foreign direct investments. Specifically, witnesses like Subrata Bhattacharjee highlighted the impact that an overly broad review process could have of holding up important acquisitions and potentially scaring off legitimate investors. The concern becomes more prevalent if some of our other amendments succeed, specifically some of those that seek to broaden the national security review process.

Because Canada's national security interests are aligned with those of members of the Five Eyes intelligence alliance, there is no need to impose additional regulatory burdens on allied state-owned enterprises for purposes of national security. Further, consideration should be given to the considerable economic ties between Canada and its allies and the impact the review process could have on trade.

In light of these concerns, this amendment seeks to provide an exemption to national security review processes for state-owned enterprises from the Five Eyes intelligence alliance countries.

The Chair: Thank you, Mr. Perkins.

I have Mr. Turnbull on amendment CPC-6.

Mr. Ryan Turnbull: I have just a couple of questions for the officials.

Mr. Schaan, do you think this amendment introduces differential treatment that could lead to legal challenges? I'm also interested in how this might impact our trade agreements and relationships and whether you think it's necessary at all.

[*Translation*]

Mr. Mark Schaan: Mr. Chair, I thank the member for his question.

[*English*]

I think our assessment, having read through the amendment, is that this could very much be reviewed and understood to be differential treatment in that it does favour and provide differential treatment to some people with whom we have trade agreements and not to others with whom we have trade agreements. It would likely be contemplated as being offside of the most favoured nation clauses that are in the vast majority of our trade agreements.

With respect to its utility, I think we already do ensure that national security reviews are important and considered in all cases, but in cases for which there is no clear raising of questions related to national security, they should not be an encumbrance to the investment climate in Canada.

• (1630)

Mr. Rick Perkins: Could we suspend for just a moment?

The Chair: Okay.

We'll suspend for one minute. Because I've accepted it on one side, I'll accept it on the other side.

• (1630)

(Pause)

• (1630)

The Chair: We are back.

Mr. Perkins, go ahead on amendment CPC-6.

Mr. Rick Perkins: I'm presuming you're referring mainly to the WTO. In these various trade ruling bodies, how often have we been challenged in the past for that provision of deferential treatment?

Mr. Mark Schaan: With respect to most favoured nation clauses, I wouldn't be able to give an exact number, but they are important clauses that have actually been the subject of a number of trade disputes. I can't speak to how many of them actually have gone through the entirety of the process, but the most favoured nation clause and the assurance that we're actually providing equal treatment to all are important considerations.

I'd also just note that, in the vast majority of cases we get, the lead investor and the origin country of the lead investor are not usually the subject of the concern; it's usually a minority relationship that actually exists within the investor company. Therefore, by exempting Five Eyes from national security reviews, you wouldn't want to, by some sort of proxy, actually suggest that the minority relationships of those countries' investors are somehow not subject to review, because actually a huge chunk of the things we review involve an allied country investor.

Mr. Rick Perkins: I get that, except that this is specific to state-owned enterprises. Does the U.S. not do this all the time with most favoured nation status?

Mr. Mark Schaan: Differential treatment...?

Mr. Rick Perkins: Yes.

Mr. Mark Schaan: I certainly wouldn't want to pass judgment on the status of U.S. law, but I would indicate that there are considerable concerns in the international arena about most favoured nation.

Mr. Rick Perkins: Thank you.

The Chair: Are there any more comments on CPC-6?

Seeing none, we'll move it to a vote.

(Amendment negatived: nays 7; yeas 4 [*See Minutes of Proceedings*])

[*Translation*]

The Chair: That brings us to LIB-0.3, which is on page 8.1 of the amendment bundle.

Mr. Gaheer, you have the floor.

[*English*]

Mr. Iqwinder Gaheer: Thank you, Chair.

I just want to clarify the reference here so that we're all on the same page. Is the reference number 12542468?

The Chair: Exactly, yes.

Mr. Iqwinder Gaheer: That's perfect.

This has been circulated. From what I can tell, this is basically to ensure that, when a company is selling a photocopier, let's say, they're not subject to these sorts of reviews. For the review part, it includes the acquisition of essentially all the assets used in carrying out the entity's operations. It's just to clarify that.

I'd like to ask the officials to comment as well.

• (1635)

Mr. Mark Schaan: As I noted earlier, I think we have the capacity, once the act contains words related to assets, to ensure that the guidance reflects the intent, which is to look at the sale of assets that are actually meaningful, notwithstanding contentions that state-owned enterprises do come from a number of countries and in a number of formats and I think often may actually potentially have other asset sales that may not meet the threshold of meaningful.

The Chair: Thank you, Mr. Gaheer.

Mr. Perkins, go ahead.

Mr. Rick Perkins: Given my earlier amendment and this one, I just want to clarify. I suspect state-owned enterprises aren't coming to Canada to buy photocopiers—I don't think we manufacture any—but that would be a different type of thing. That would be a normal procurement thing.

What is the definition when you say “substantially all of the assets”? What we're saying in the previous one that we just passed is “assets”. In this case, does that mean everything except a shell company, a holding company? If I were a Canadian mining company with a number of mining assets, for example, and I sold one mine to a Chinese state-owned enterprise, that's not substantially all the assets of that mining company. Would it then not be reviewable based on this amendment?

Mr. Mark Schaan: Our contention would be that the modifiers on assets allow for the implication that the investment would be reviewable and would allow for the review of transactions that involve meaningful parts of the business, and that it would actually include the types of asset sales you just described. That said, to suggest “any asset” would potentially stretch that concept into the territory of overpopulating the subset of concern.

Mr. Rick Perkins: Could I propose an amendment to this amendment that would remove the words “substantially all of the assets” and replace them with the wording that Mr. Schaan just gave, which is “meaningful assets”?

The Chair: Can you repeat the exact wording, Mr. Perkins?

Mr. Rick Perkins: Yes. It's to remove the words “substantially all of the assets” and replace them with “meaningful assets”.

I'm not a lawyer so I don't know if “meaningful” is a proper legal term, but you, Mr. Schaan, just talked about meaningful assets, which to me is very different from the idea of “substantially all of the assets”.

The Chair: Mr. Perkins, I know you asked the officials a question. I'll let them collect their thoughts on this. What you're proposing is “under paragraph (1)(c) includes the acquisition of all—

Mr. Rick Perkins: It's “of meaningful assets” instead of “of all or substantially all of the assets”.

The Chair: It's "of meaningful assets used in carrying on the entity's operations."

Mr. Rick Perkins: That's correct.

The Chair: I'm not sure that "meaningful assets" has a legal definition attached to it, but that's the subamendment proposed by Mr. Perkins—

Mr. Rick Perkins: I'm open to a better word to express "meaningful". I don't think "substantially all" gets to the concept that Mr. Schaan was talking about. Saying "substantially all" means that if I have 10 mines and I sell one, that's not "substantially all" of my assets. It's 10% of my assets.

The Chair: You asked the officials for their thoughts on your proposed subamendment.

Mr. Rick Perkins: Yes, whether "meaningful" is—

The Chair: We'll wait to hear from them and see if you want to move that subamendment.

I will go to Mr. Schaan if he wants to intervene.

Mr. Mark Schaan: I think, Mr. Chair, that our "For greater certainty" would look at an investment to acquire, "in whole or in part", the assets of an entity referred to in the paragraph. I think that "part" allows us to get at proper guidance, as opposed to the possibility of "meaningful".

• (1640)

Mr. Rick Perkins: Instead of "substantially all of the assets", it would be "in whole or in part". That would be more proper legal wording than what I was saying.

Mr. Mark Schaan: Yes.

The Chair: Mr. Perkins, what, then, would be your subamendment?

Mr. Rick Perkins: Based on what the officials said, referring to the amendment, it would be "the acquisition of, in whole or in part, all the assets" referred to in that paragraph.

The Chair: I think Mr. Gaheer has language that he wants to propose.

Mr. Iqwinder Gaheer: Can I propose the language? Based on what's been said, we can say for proposed subsection 25.1(2): "For greater certainty, paragraph (1)(c) includes an investment to acquire, in whole or in part, the assets of an entity referred to in that paragraph."

The Chair: Can you repeat it once more?

Mr. Iqwinder Gaheer: I will repeat it once more: "For greater certainty, paragraph (1)(c) includes an investment to acquire, in whole or in part, the assets of an entity referred to in that paragraph."

Mr. Rick Perkins: You're deleting the rest.

Mr. Iqwinder Gaheer: Yes.

Mr. Rick Perkins: I like that.

The Chair: Can it be sent in writing and repeated once more very slowly, Mr. Gaheer?

Mr. Iqwinder Gaheer: I will repeat it once more. I'm sorry. I talk really fast.

The Chair: You talk fast, indeed. For the interpreters, also, it's always good to speak slowly.

Mr. Iqwinder Gaheer: Proposed subsection 25.1(2) would read, "For greater certainty, paragraph (1)(c) includes an investment to acquire, in whole or in part, the assets of an entity referred to in that paragraph."

The Chair: You've all heard the terms of the subamendment, and it will be sent in writing, Mr. Gaheer, to the clerk, please.

Mr. Iqwinder Gaheer: Yes, it will be—confirmed.

The Chair: We've all heard the subamendment, so that's a subamendment to your own amendment.

Wait just one second. You can't—

Mr. Rick Perkins: I remove mine, and I'll... Do I remove my subamendment?

Can we propose that as my subamendment? You can't amend your own amendment.

The Chair: Yes.

We have Mr. Perkins' subamendment as outlined by Mr. Gaheer. You've all heard the terms. In looking around the room, I believe there is unanimous consent.

(Subamendment agreed to)

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

There are no more amendments on clause 12. Are there, Mr. Turnbull?

Mr. Ryan Turnbull: No. There aren't on that, but I was going to seek unanimous consent to reopen clause 4.

The Chair: We need to adopt clause 12 first.

(Clause 12 as amended agreed to)

The Chair: I recognize Mr. Turnbull.

Mr. Ryan Turnbull: Maybe I'll let Mr. Gaheer...

The Chair: Go ahead, Mr. Gaheer.

Mr. Iqwinder Gaheer: Thank you, Chair.

I know we agreed, before we took the break for the summer, to revisit some of the clauses as well and seek unanimous consent. We just want to seek your guidance and the clerk's guidance as to what order you would prefer.

The Chair: Based on my notes, we need unanimous consent to get back to clause 4 and the amendments you proposed in LIB-0.1 in the package.

We need unanimous consent for the amendment that was proposed by Mr. Perkins to clause 7. I'm not sure if it was moved, but it was sent around.

• (1645)

Mr. Rick Perkins: It was in the original package.

The Chair: It was in the original package, but it was not moved before we finished clause 7. We'll need unanimous consent for clause 8 for LIB-0.2.

That's basically the order I had in mind. Is that fine with everyone?

An hon. member: No.

The Chair: No. There is no unanimous consent to get back to clause 4.

Mr. Brian Masse: No.

The Chair: Does Mr. Perkins have unanimous consent to get back to clause 7?

Mr. Brian Masse: Yes.

(On clause 7)

Mr. Iqwinder Gaheer: Can I just say something on...?

The Chair: Now I'm at clause 7, Mr. Gaheer, so we'll deal with clause 7. I'll yield the floor back to you afterwards.

Mr. Rick Perkins: Thank you, Mr. Chair and committee members.

I'll refer you back to the motion. I don't mean to prolong it, because I know we're getting a little short on time.

With Bill C-34, while the current legislative framework already enables the federal government to examine strategic industries, witnesses like Professor Patrick Leblond from the University of Ottawa have argued that letting the federal government choose to systematically review investments creates an issue in which investments are reviewed individually, rather than through a sector-wide approach. According to testimony from Professor Leblond in the 2021 INDU report on the Investment Canada Act, not listing specific industries necessary for national security would prevent the review system from:

...devolving into an entirely political exercise in which stakeholders representing different regions and sectors of activity evoke national security concerns to protect their own economic interest. This would include stakeholders perhaps testifying (perhaps wrongly) that an asset or sector is not critical to Canada's national security in order to attract and facilitate foreign investments.

The summary of our change is that the amendment seeks to rectify this issue by responding to recommendation 4 of the 2021 INDU report—which I believe was unanimous, and many of the members here were on that committee—on the Investment Canada Act by listing specific sectors necessary to preserve Canada's national security, rather than applying the systematic approach. We've listed in that amendment “high-technology, health care, pharmaceutical, agri-food, natural resources and energy industries”.

Obviously, if there are other committee members who feel that some industries should be specifically listed under these terms, we'd be open to that.

The Chair: Thank you, Mr. Perkins.

To make sure that we're all on the same page, the amendment you're proposing to clause 7 is the one with reference number 12566060.

Mr. Rick Perkins: Yes.

The Chair: Are there any comments?

Go ahead, Mr. Turnbull.

Mr. Ryan Turnbull: I just wanted to ask officials for some comments on this.

[*Translation*]

Mr. Sébastien Lemire: I would ask you to wait a moment to give the interpreters time to find the references, please.

[*English*]

The Chair: Thank you.

Go ahead, Mr. Turnbull.

Mr. Ryan Turnbull: My understanding is that this amendment amends section 15 and would provide the power to review SOE transactions regardless of threshold.

Mr. Rick Perkins: You already passed that in your earlier amendment.

Mr. Ryan Turnbull: That's right. Then I guess the question is what impact that has on this particular... I think the definition of strategic Canadian industries might be quite challenging in terms of general coverage, and then we're specifying strategic Canadian industries. I think this might create some challenges, so I want to ask officials, if they agree, to speak to that.

[*Translation*]

Mr. Mark Schaan: I thank the member for the question.

[*English*]

Amendment CPC-2 adopted by the committee is specific in its application in the sense that it applies to SOEs except for those that are from within a trade agreement country. This is opening up to a much broader category and again to some of the things we talked about in June, to constructs that are potentially quite open to subjectivity, particularly the construct of strategic Canadian industries.

Part of our goal is, obviously, to try to ensure we have a certain amount of what we call high fences in small yards, where we have been very clear about that which the act is seeking to contain. This would, in our view, probably significantly expand the potential for consideration that you would fall within that and potentially provide risk to foreign investment, particularly by those who we might not want to deter.

I will leave it there.

• (1650)

The Chair: Mr. Perkins, go ahead.

Mr. Rick Perkins: The list comes from some of the statements by the Minister of Industry regarding strategic industries, but does the U.S. not already have in law or regulation a list of strategic industries that are automatically protected there for review under a number of U.S. statutes—everything from the regulations of their CRTC equivalent—the Federal Communications...?

Mr. Mark Schaan: It's the FCC.

Mr. Rick Perkins: No, it's the U.S. federal telecommunications....

Mr. Mark Schaan: It's the FTC.

The U.S. has not enshrined their list in law. We would propose operating a list, similar to what we have discussed before, that would isolate strategic industries that would be subject to further scrutiny, but the U.S. has not allowed for that so as to allow for the dynamism of the changing nature of industry, including that which is considered strategic.

The Chair: Thank you.

Are there any other comments on the proposed amendment by Mr. Perkins to clause 7?

Seeing none, we will move it to a vote.

(Amendment negatived: nays 6; yeas 5 [*See Minutes of Proceedings*])

[*Translation*]

The Chair: Is there any further discussion?

Mr. Gaheer, I believe you want to speak.

[*English*]

We are done with clause 7.

I believe you wanted to seek unanimous consent for another clause.

Mr. Iqwinder Gaheer: Do we need it for clause 8?

The Chair: We need it for clause 8 as well, yes.

Mr. Iqwinder Gaheer: Before I ask for unanimous consent, I just want to say—and I'm going to ask again for it for clause 4 as well—this is about the consistency of the act itself. It's not about a partisan point for this side.

Amendment CPC-2 is practically the same as amendment NDP-1, which was brought by my colleague Mr. Masse. I'm seeking unanimous consent for clause 8 and again for clause 4 to make the act consistent with CPC-2, which is the same as NDP-1.

I hope he will see reason here and that we can make the act itself, which is going to affect Canadians and businesses in Canada, consistent.

The Chair: Right now you're asking it for which one?

Mr. Iqwinder Gaheer: It's for clause 8.

The Chair: Do we have unanimous consent to revisit clause 8?

Mr. Brian Masse: No.

The Chair: Okay. Then that's it.

We still have a few routine proceedings to do.

[*Translation*]

Shall the alternative 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?

• (1655)

[*English*]

Mr. Rick Perkins: No.

[*Translation*]

The Chair: We were off to a good start, Mr. Perkins. I'm going to assume that it is your French courses that are playing tricks on you and that in fact you meant to say yes.

Thank you, everyone. This concludes our study of Bill C-34.

[*English*]

Thanks to the officials for being with us.

Thanks to the Conservatives, who allowed us to bring it back to start this session, because we could have ended it in the spring.

Go ahead, Mr. Perkins.

Mr. Rick Perkins: We had to bring it home.

Are we out of time for motions?

The Chair: No, we're not out of time. We still have half an hour.

Mr. Rick Perkins: I'd like to thank the officials, who sat through a lot of stuff on this bill as well and have been very helpful in the process.

Thank you very much.

The Chair: Thank you very much. I'm sure we'll see you around in the not too distant future.

Thanks for that.

I will also thank the legislative clerks, who have been very helpful. At times, it can be a bit confusing as we deal with all these amendments.

[*Translation*]

If there are no other comments, I will suspend the meeting briefly before we come back to the motions that need to be discussed.

Mr. Lemire, do you have something to say?

Mr. Sébastien Lemire: I just want to thank the interpreters.

The Chair: Thank you to the interpreters, time and time again.

I will suspend the meeting for a few minutes.

• (1655) _____ (Pause) _____

• (1700)

[English]

The Chair: Colleagues, we will resume with the notices of motions and the motions that were presented earlier by Mr. Perkins and Mr. Lemire.

[Translation]

I think that Mr. Masse would also like to speak to introduce motions related to the committee's study plans.

[English]

Mr. Brian Masse: No. It's on Mr. Perkins' motions.

The Chair: Okay. I'm sorry. I thought you had a motion you wanted to present.

We're on Mr. Perkins' first motion regarding the PBO report.

Before we start discussions, I would just suggest this. The clerk was telling me that, the wording, usually before the committee "orders", it "requests". If there is consent, we will modify the wording to have "request" instead of "order".

We're on that motion. I'll yield the floor to Mr. Masse.

Mr. Brian Masse: Thanks, Mr. Chair.

Really quickly, I support this first motion. I think the second one is maybe a little premature. We could revisit it in the future, perhaps, because I'd like to see what the first one actually comes to. On the second one, I have an amendment. We could have a redacted copy, but that would almost be a process for a decision as well. I don't want to suggest that we have to have information redacted. In the United States, it's very clear that their process for investment was taking place.

I'd prefer to get this first one done, get it going and then have our steering committee, because we'll have another guest and then decide what order will be in place. Therefore, I'll support the first one. With the second one, I'd prefer to wait on that in terms of how we get our house in order.

Thank you to the mover of the motion.

• (1705)

The Chair: That's duly noted.

To rein in the debate, I think it's worthwhile that you mention it, so that we know where your mind is, but we're dealing with the first one. Hopefully, we can keep the debate on the first one, and then we'll move to the one Mr. Vis proposed on the contracts.

I have Mr. Perkins and then Mr. Vis.

Mr. Rick Perkins: I appreciate the clerk's suggestion about "request".

I think this is straightforward, so I don't think we need to have a lot of debate or discussion. The PBO put out his report recently and I think it would be appropriate to have him come here to have a discussion about that report, since it's on, obviously, 28 billion to 30

billion dollars' worth of contracts that the Minister of Industry is responsible for. It's a valuable report. I'd be able to question him.

I'm not sure where else he would go other than here.

The Chair: Go ahead, Mr. Turnbull.

Mr. Ryan Turnbull: I don't see a problem with this one. I think we'd be supportive of it. It seems pretty reasonable.

The Chair: Before we move to a vote, this is basically to inform the committee of what we want to study as a committee and what we decide we want to pursue, knowing full well that Bill C-27 takes precedence. That's what we're going to be dealing with for the next few weeks.

Do we need to vote on the first motion? I sense that there's consensus on the motion proposed by Mr. Perkins.

[Translation]

Mr. Lemire, you look skeptical.

Mr. Sébastien Lemire: I'm wondering when the Parliamentary Budget Officer could come and testify. If the study of Bill C-27 leads us to have several meetings—the list of witnesses is quite long—would it be responsible to invite the Parliamentary Budget Officer much later in the fall or even in the winter? Would that be the responsible thing to do under the circumstances? Since it's just one meeting, we can probably find an opportunity to meet with him sooner.

The Chair: I think we can deal with that at the subcommittee at the appropriate time. It may be practical to hold a meeting of this kind in reserve, in case the clerk can't find witnesses or witnesses drop out, for example. That would allow the committee to avoid wasting an hour or two of meetings. Generally speaking, the Parliamentary Budget Officer is quite available for this type of meeting.

Mr. Sébastien Lemire: That's perfect.

[English]

Mr. Rick Perkins: This is a suggestion for the committee. I think we're all assuming that we start Bill C-27 on Tuesday. We obviously haven't gone through or been able to get witnesses yet—I don't believe—for Thursday, so perhaps Thursday might be an opportunity for the PBO or the Privacy Commissioner.

The Chair: Just to dispose of that first motion, I see there is consensus. It's adopted by the committee.

(Motion agreed to)

The Chair: On the second motion, Mr. Vis, I recognize you.

Mr. Brad Vis: What's very important to note here is that it states very clearly "redacted copy". We understand commercial sensitivities. I will note that the minister has basically said everything in that contract publicly already.

I think it would be beneficial to all committee members if we're going to have a discussion with the PBO on the government subsidy that we have those four contracts available to us at the same time. It's just about being able to do our job as best we can. We know the dollar amount. We just need the details in front of us.

Thank you.

The Chair: I have Mr. Turnbull and then Mr. Perkins.

Mr. Rick Perkins: Can I just clarify the “redacted”?

The Chair: Yes, Mr. Perkins.

Mr. Rick Perkins: I just want to clarify the “redacted”. The reference to “redacted” is that, when committee members had access to the contract, we saw a redacted version. That's the version I'm talking about, because Volkswagen had redacted certain parts of it before we saw it. It's that version. It's not a further redacted version beyond what was shown to committee members. It's the one that was shown to committee members.

• (1710)

The Chair: Mr. Turnbull is next.

Mr. Ryan Turnbull: I just want to say that I sort of share the sentiments of Brian Masse, my colleague. I want to consider that there seems to be a little bit of a.... I realize that it's a redacted copy that you're asking to be released. I know that members had, based on their parliamentary privilege, the ability to review that document that was redacted already, but there is also a portion of this that says “no speaking restrictions be placed on committee members”, so there is some consideration here as to whether there are sensitive details in that contract. There were very few redactions in it, as I understand. I haven't reviewed it myself.

I think we should take more time to consider this. Perhaps we could bring it up in the subcommittee, which I understand I'll be on. Maybe we can talk it through there and just make sure that we consider every aspect of this.

The Chair: I have Mr. Masse.

Mr. Brian Masse: Thanks, Mr. Chair.

I think the motion comes from a good place. I think Mr. Vis comes from a good place.

My concern right now is that I'd like to see what we have going forward. The entire debacle cost us jobs. The plant in Windsor was actually shut down for a while, and there still is a lot of angst, anxiety and issues that I don't want to stir up unnecessarily without a real plan or a reason for it.

Again, I'm not even sure that we need, at some point, a redaction entirely. The auto policies that I've been pushing for here on the Hill are actually similar to those of other countries, where there are measurables for jobs and so forth, and getting a redacted document is not necessarily where I want to be at the end of the day.

I'm not necessarily opposed eventually to going down this road. I think it is a possibility, but I think the motion we have before us is a strong, good motion, and we can do our work on it. I chose not to get one of those briefings, because I also didn't want to get myself inadvertently into a conflict of interest on the file and not be able to represent my constituents by getting an in camera briefing on some-

thing. I have a lot of reservations about supporting it at this moment in time.

Again, I think it does come from a good place. I don't think it's mischief. I don't think it's unreasonable, but at the same time, for me, it doesn't make a better process right now. I won't support it at the moment.

The Chair: Thank you, Brian.

I have Mr. Perkins.

Mr. Rick Perkins: Just in terms of time, we're not looking for hearings or anything, obviously. We're just talking about the release of the document that we've already seen and that it be made.... I don't think it should cause any angst, since it's the signed contract and we're not holding hearings on it. Volkswagen was asked before we saw it what they didn't want to show us for commercially sensitive reasons, and they exempted three elements of the contract. By inference that means everything else they were comfortable with from a commercial perspective or a commercially sensitive perspective.

I don't see any reason for there not to be transparency to support the government's position on these record-setting production contracts of \$30 billion, where it's been all focused in one province. There haven't been any similar types of production subsidies. By the way, production subsidies are not something we normally do in any other province. Also, so that we actually see what it is that's claimed.... Because the minister has made claims that the PBO disputes already in terms of the payback time, the contract could help provide some certainty for the public out there that there aren't other things in the contract that are inconsistent—or consistent—with what the minister said publicly about them.

The Chair: Mr. Turnbull, go ahead.

Mr. Ryan Turnbull: I'm hearing pretty strong sentiments from others that we're perhaps not going to get to a vote today, so perhaps we want to talk about this in subcommittee. I'm uncomfortable with this without considering it in more detail. We need to think about how this could prejudice other deals and relationships in the future. We need to consider some of the aspects of how it's worded. With respect to the “no speaking restrictions” part, I think what we're saying is that something we've reviewed in camera as part of our parliamentary privilege would be made public. I think we need to consider—very strongly consider—what the ramifications or unintended consequences of that might be.

I feel as though we may be able to achieve a path forward on this, but I think we need a little bit more time. If members would agree to defer this to the subcommittee, I think we could talk it through in a reasonable manner and hopefully find a path forward.

• (1715)

The Chair: Mr. Vis, go ahead.

Mr. Brad Vis: I'll just respectfully point out—and I don't know this issue as well as Brian does—that as soon as Stellantis found out about the Volkswagen deal, the first thing they did—it doesn't matter what's in the contract—was say, “We're not going to go forward anymore unless we get more money from the Government of Canada.” The number one concern that people had when the Volkswagen contract was signed was that this was going to lead to a slippery slope, where any major investment in Canada now will require major subsidies from the Government of Canada because that's the precedent that's been set. Shortly thereafter that came to fruition with the Stellantis contract.

Everyone already knows the key aspects of the deal outlined by the minister: that for maybe one of the first times in the history of Canada, we're not only going to be subsidizing the creation of the factory but we're also going to pay Volkswagen—one of the only companies in the history of Canada to break our Environmental Protection Act—billions of dollars to produce a product they then get to sell for a profit for up to 10 years. That is a fact. That is the basis of the contract.

The commercially sensitive nature came out a long time ago. I just want to have a copy of those contracts so that, when the PBO comes, we can challenge and look in detail at the costing estimates on a year-by-year basis in terms of what the Government of Canada is going to be giving Volkswagen to produce a battery they're going to be able to sell for additional profit.

Thank you.

The Chair: Okay, colleagues, I see no more interventions. There is a motion on the floor. Technically it should be voted on, unless there are more comments or debate. However, there are suggestions by some to just—

Mr. Brad Vis: That's a fair point. You can delay the vote if you'd like.

[*Translation*]

Mr. Sébastien Lemire: I agree.

[*English*]

The Chair: Okay, that's perfect.

Then it shall be discussed between the parties, and we will keep it going, Mr. Vis.

Mr. Brad Vis: Thank you.

[*Translation*]

The Chair: Mr. Lemire, we'll come back to your motion once we've received it in writing.

Mr. Sébastien Lemire: Do you have it?

The Chair: I haven't seen it, but if you want to discuss it right away, Mr. Lemire—

Mr. Sébastien Lemire: No, but it was important to table it, since it's related to the bill that will be debated a little later this evening in the House.

The Chair: That's fine. Then we can discuss it at the subcommittee. In any case, I think we'll be busy studying Bill C-27 for the next two months.

Mr. Sébastien Lemire: Yes, absolutely, but I think it's important. Everyone has an interest in modernizing this legislation and hearing from people in the industry, the CRTC and the department, as well as competition in the wireless context. Thank you.

The Chair: Thank you, everyone.

That concludes our meeting. We've completed our study of Bill C-34 on time and on budget, which is wonderful.

[*English*]

Thanks to everyone. Have a great evening. We will see you next week.

The meeting is adjourned.

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