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Chair: Mr. Peter Schiefke



Standing Committee on Transport, Infrastructure and Communities

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• (1535)

[English]

The Chair (Mr. Peter Schiefke (Vaudreuil—Soulanges, Lib.)): I call this meeting to order.

Welcome to meeting number 91 of the House of Commons Standing Committee on Transport, Infrastructure and Communities.

Pursuant to the order of reference of Tuesday, September 26, 2023, the committee meets to resume the clause-by-clause consideration on Bill C-33, an act to amend the Customs Act, the Railway Safety Act, the Transportation of Dangerous Goods Act, 1992, the Marine Transportation Security Act, the Canada Transportation Act and the Canada Marine Act and to make a consequential amendment to another act.

Today's meeting is taking place in a hybrid format pursuant to the Standing Orders. Members are attending in person in the room and remotely using the Zoom application.

To help us with clause-by-clause consideration of Bill C-33, I would like to welcome back our witnesses.

We have, from the Department of Transport, Sonya Read, director general, marine policy; Heather Moriarty, director of ports policy; Rachel Heft, manager and senior counsel, transport and infrastructure legal services; and Amy Kaufman, counsel.

Of course, we have with us today our legislative clerks, Jean-François Pagé and Philippe Méla, who I'd like to point out to our committee members celebrate 23 years in the House of Commons in service to Canadians today.

Before we begin, I see a hand up, and I think you're going to be referencing the sound we're hearing. I'm going to turn it over to the clerk to see if we can rectify the situation, because we're getting simultaneous translation on the speakers in the room we are in.

Colleagues, I apologize for this, but we're going to have to suspend for a couple of minutes, until we rectify the situation.

• (1535)

(Pause)

• (1540)

The Chair: I call this meeting back to order.

I will turn the floor over now to Dr. Lewis to speak to amendment CPC-4.

Ms. Leslyn Lewis (Haldimand—Norfolk, CPC): Thank you, Mr. Chair.

Before we continue with clause-by-clause consideration of Bill C-33, I would like to take this moment to move a motion that was put on notice on Friday, November 24. The motion is as follows:

Given that, after almost seven years, the Canada Infrastructure Bank:

(a) has made significant investment announcements and commitments that have either been cancelled or failed, including the \$1.7-billion Lake Erie connector project, the \$20-million Mapleton water and wastewater project and four previously announced investments that have been cancelled in 2022-23 alone;

(b) has made investment decisions that call into question its ability to make sound and responsible investments with taxpayer dollars in projects that benefit the public good, including most recently the multi-million dollar deal for a private equity firm owner of a top luxury hotel;

the committee recognize that it has lost confidence in the Canada Infrastructure Bank to make investment decisions that serve the best interests of Canadians and meet the urgent infrastructure needs of Canadian communities.

Mr. Chair, I'm raising this motion at this moment, because we know that, at a time when carbon taxes are high and runaway deficit spending and inflation are forcing Canadians to attend food banks at rates we've never seen before, this government needs to be held accountable for the policies and how they are contributing to the pain Canadians are feeling. Future generations of Canadians are being saddled with billions of dollars in debt instead of being better off. They're being left with aging, deteriorating infrastructure.

The Canada Infrastructure Bank has clearly failed to make sound investment decisions for the best interests of Canadians, and it has failed by issuing billion-dollar projects, including \$655 million promised to a multi-billion dollar company, Fortis, for an electricity project that ironically failed because of inflation projections caused by the Liberal government.

This out-of-touch bank thought it was appropriate also, during a housing crisis, to lend \$46.5 million to one of Canada's most expensive hotels, so that it could retrofit its \$500-a-night rooms. This is all in the context of a bank that has had seven years to get off the ground but has failed to build infrastructure for communities; this infrastructure is well needed now in order to fuel our economy.

That is why I am requesting the support of this committee to report this opinion to the House, which makes clear that we have lost confidence in the ability of this bank to make investments in the best interests of Canadians at this critical time.

Thank you.

The Chair: Thank you very much, Ms. Lewis.

Are there any questions or comments, colleagues?

Yes, Mr. Strahl.

Mr. Mark Strahl (Chilliwack—Hope, CPC): I think that talking about the Canada Infrastructure Bank and our lack of confidence in it is important, as we see that there are other transport-related files that are impacted by the Canada Infrastructure Bank. We're in the middle of a study that we'll get back to soon on high-frequency rail, which includes a huge role for the Canada Infrastructure Bank.

I think, given their failure to operate at this time.... Ms. Lewis listed several failures, and we've talked previously about their spending more on administration than they are on infrastructure. We will continue to bring the case before the committee that we need to express our grave concern and lack of confidence in the Canada Infrastructure Bank until such time as the government takes notice.

Our report called for the Infrastructure Bank to be abolished. That was ignored. We will continue to point out the issues with the Infrastructure Bank, because it has a real impact on Canada's ability to produce the infrastructure it needs in a responsible manner.

Thank you, Mr. Chair.

• (1545)

The Chair: Thank you, Mr. Strahl.

Seeing no other questions or comments, we will go to a vote.

(Motion agreed to: yeas 6; nays 5)

(On clause 102)

The Chair: Thank you, Madam Clerk.

We will now go back to CPC-4. For that, I will turn the floor over to you, Mr. Strahl.

Mr. Mark Strahl: Thank you very much, Mr. Chair. It's good to be here with you all today.

As you'll recall, we were in the middle of a discussion about giving the board the power to make appointments in a case in which the minister has failed to make an appointment in a timely manner. The discussion was whether six months was enough time, or if that amount should be extended to another period, such as 12 months.

Obviously, I can't make that amendment to my own amendment, but certainly the principle that I want to see included here is to compel the minister to make appointments in a timely way and to have a consequence, which still allows the boards to operate but to do so by making appointments. This would only be for those particular appointments that fall to the minister's authority, not for municipal appointments or other levels of government appointments. It specifically addresses just those that the minister makes.

If the ball is entirely in the minister's court and he or she fails to make that appointment in a timely fashion, I think it's good to have this backstop so that boards don't go with vacancies, which we've seen far too often in the last eight years.

If anyone else would be willing to amend that to be a 12-month period, I would be very amenable to that.

The Chair: Thank you, Mr. Strahl.

Go ahead, Mr. Muys.

Mr. Dan Muys (Flamborough—Glanbrook, CPC): Pursuant to that and following up on our conversation from late Wednesday evening, in which there seemed to be a consensus developing around the 12-month mark, I propose that as a subamendment, and hopefully a friendly one.

The Chair: Thank you, Mr. Muys.

We'll go to a discussion on the subamendment, and I'll turn it over to Mr. Barsalou-Duval.

[*Translation*]

Mr. bercrombie-Duval, you have the floor.

Mr. Xavier Barsalou-Duval (Pierre-Boucher—Les Patriotes—Verchères, BQ): Thank you, Mr. Chair.

I just wanted to mention that if Mr. Muys had not proposed a subamendment like this, I would have done it myself. At the beginning of the discussion, we were talking about a six-month period, but now we're talking about a 12-month period. An amendment had been moved to that effect.

The committee members will understand, of course, that since I agree that a subamendment like this should be introduced, I will vote in favour of the subamendment to extend the period from six to 12 months.

I think 12 months is reasonable. If the government is unable to fill a vacant position in less than a year, that is excessive, especially given the strategic importance of infrastructure such as port authorities. So I feel very much at ease.

Having such rules in place, I imagine that the government will do everything in its power to ensure that the positions are filled within 12 months.

I don't think the government should see this as a threat. Ultimately, if something were to happen and there was only one position the port authority could co-opt, that would simply enable the port authority to operate, which is what everyone wants.

The Chair: Thank you, Mr. Barsalou-Duval.

Mr. Bachrach, you now have the floor.

[*English*]

Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP): Thank you, Mr. Chair. I'm trying to recall where we left off in the conversation on this.

I do find the idea to be a compelling one, because I think it's a clever way to encourage the government to speed up its appointment process. Obviously, this is something that has been very challenging for port boards.

At our last meeting, when we were discussing this, the officials who were with us were explaining some of the consultation process that the department undergoes when it's considering an appointment, partly in an effort to ensure that our port boards aren't old boys' clubs—or young boys' clubs, for that matter. I think that's something all of us around the table would support.

Under this new proposal, if the board itself were going to appoint people after this one-year period, would it also be required to undertake similar consultations, or would it be less encumbered and could it essentially appoint anyone it wanted to? That's, essentially, my question.

• (1550)

The Chair: Thank you, Mr. Bachrach.

I'll turn it over to Mr. Strahl for a response.

Mr. Mark Strahl: I think it is also important to note that these board appointments are for a specific term. What is happening here is that the government is aware and the minister is aware that an appointment term is coming to its end. Well in advance of someone's term ending, they should be preparing a list of possible replacements and new board members.

It's not like the clock starts the moment there's a vacancy. The clock actually should be starting—if the planning is being done—well ahead of time, so that the work can be done to find someone. In British Columbia we have former labour representatives on the board at the Port of Vancouver, etc. This work can be done in advance.

This is essentially saying that once the vacancy occurs, that's when the time starts for the one-year vacancy clock, if we can call it that. The work that Mr. Bachrach refers to and that Ms. Murray referred to in the previous meeting can begin well before a term expires.

I think this is simply saying to do your work ahead of time and get it done in a year. That's reasonable. If you don't, it's not a hostile process. The board is then able to choose from nominees to make those appointments. There really is no excuse for this to ever be used, but right now, the vacancies are just extending way too long. That's what this is attempting to do.

The Chair: Thank you, Mr. Strahl.

Mr. Bachrach.

Mr. Taylor Bachrach: This is along the same lines as my last question. There are certain seats that are appointed by the minister that have specific criteria around them. For instance, the minister appoints a number of seats in consultation with the users of the port. Should this bill pass, one of those seats is going to be allocated to a director in consultation with labour groups at the port.

My concern is that if one of the directors' seats is vacant for more than a year and they fall into that category in which they have to be appointed in consultation with either the users, terminals or what have you at the port, or the labour groups, it's unclear whether the members of the board who are doing this self-appointment would be similarly required to consult those groups and ensure that the seat is filled by someone who comes from those groups. It doesn't speak to whether that would be the case.

The Chair: Thank you, Mr. Bachrach.

Mr. Strahl.

Mr. Mark Strahl: Perhaps I could get the legislative clerk or someone to confirm this. It specifically says:

The board of directors of a port authority may appoint a director under paragraph (1)(a) or (d)

Could they reference which positions that would refer to?

That's for either you or...I don't care who.

The Chair: I'll turn it over to any of our witnesses to respond to that.

Ms. Read.

Ms. Sonya Read (Director General, Marine Policy, Department of Transport): Under paragraph 14(1)(a), those are the Governor in Council appointees. One individual is nominated by the minister.

Paragraph 14(1)(d) is in relation to the individuals nominated by the minister in consultation with user groups. Pursuant to the amendments that were adopted previously by committee, that would include the labour groups.

• (1555)

The Chair: Yes, Mr. Bachrach.

Mr. Taylor Bachrach: My question for Ms. Read is on the current amendment and subamendment that we're debating right now. Would it be clear that those positions that are left vacant for more than a year are to be filled under the requirements of those two subparagraphs that you mentioned, or do we need additional language to make that clear?

The Chair: Ms. Read.

Ms. Sonya Read: Based on our understanding of the amendment, it's not clear, because the board of directors isn't actually appointing them under 14(1)(d). They have to appoint them under the new provision. The new provision does not include language that says it has to be done in consultation with the user groups. I'm not clear if, from a policy perspective, that would be the case.

The Chair: Thank you, Ms. Read.

It's back to Mr. Bachrach.

Mr. Taylor Bachrach: If I understood Mr. Strahl correctly, he would be open to an additional subamendment that would clarify that. I just wonder if maybe we should recess briefly to give a chance to consult with the legislative clerk and come up with some wording?

I could be convinced of this, as long as we protect that aspect of the appointments.

The Chair: Thank you, Mr. Bachrach.

I'll turn it over to Mr. Strahl.

Mr. Mark Strahl: Again, I'm not a legislative clerk, but it would be my.... The reason that we specifically selected those (14)(1)(a) and (d) positions, which have now been amended, was that all of the rules apply except for who's doing the appointing at this point. That would be the intention: Paragraphs 14(1)(a) and (d) would remain intact, and if (d) has been amended to include user groups, which now include specific labour consultation, then the expectation would be that it would be maintained.

Again, I'm open to either standing this and coming back to it, or I'm happy to suspend if we believe we can wrestle this to the ground in a few minutes.

The Chair: Mr. Bachrach, do you wish to suspend for two minutes to see if we can figure this out? Okay, we'll suspend for five minutes to sort this out.

This meeting is suspended.

• (1555) _____ (Pause) _____

• (1600)

The Chair: I call this meeting back to order.

I'll turn the floor over to Mr. Bachrach.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

The attempt here is to come to some sort of consensus, or at least as close to a consensus as we can get, understanding that the goal of this amendment is to deal with one of the challenges we've heard from the ports and from port users, which is that there are these long delays in appointing board members. I think the key here is to ensure that the consultation process that leads to board appointments remains intact even when, under this amendment, the boards would be appointing their own directors. There are different ideas around how to do this.

Ms. Murray was just pointing out to me that the government, in addition to the consultations that are required by the legislation, conducts additional screens on the consultation process to ensure that the boards of port authorities are becoming more diverse and that we're reflecting the makeup of our country. I think it's important to consider as well, in addition to the specific consultations with labour groups or with port users, that there's another layer.

If there's a way to build that into the subamendment, I think that would be worthwhile. I understand there's some desire to let this one sit with the legislative counsel for a bit and move on to the next amendment, and I'd be happy to do that.

The Chair: Thank you, Mr. Bachrach.

I'll turn it over to Mr. Badawey, followed by Mr. Strahl.

Mr. Vance Badawey (Niagara Centre, Lib.): Thank you, Mr. Chair.

I have a few comments.

The government has a transparent process, as has been alluded to already by Mr. Bachrach, which ensures proper consultation with user groups and the vetting of candidates based on the makeup of each board that we are a part of—this one in particular.

We recognize that issues have been raised by the witnesses here at committee when it comes to filling board vacancies on a faster timeline. I think that goes without saying. We've seen that with many boards and agencies throughout the years, but the solution to this shouldn't be that the board is automatically able to appoint a candidate.

Appointments are a long process. They take some time because they're subject to consultations, strict checks and balances, background checks, conflicts of interest and security. This amendment seems to circumvent some of that.

To some extent, I understand, however, because I have found myself in the same position with some of the boards and agencies that I deal with almost on a daily basis, with the need to expedite and be timely on appointments.

I think we're hearing from our witnesses that six months is a bit too tight of a timeline, considering the steps we are required to complete for any given appointment. We would like to see this extended to one year, which we think is a more reasonable time frame.

Let's all remember that the boards of directors are composed of different types of representatives, including user class and nominees from various levels of government, federal, provincial and municipal.

If we were to move this subamendment forward, I think it's important to keep the scope to user class, directors only. That way, we wouldn't be putting limits on nominees from any level of government, which is important for representation on the board and, obviously, for all Canadians.

For this class of seats, consultations with user groups are required of the minister, and I think that's a fair thing that we would want to see the board do before making any decision.

Another thing to consider is that we'd need to make sure there's adequate notice that this is going to happen. For example, let's say that a federal nomination is very close to being confirmed but will take a few days past the timeline we set with this amendment. Is the board's decision going to be automatic, six months and one day into the vacancy?

I think this would also help to incentivize the minister to expedite the process, obviously. If he or she knows that the board is going to look to appoint someone imminently, this could be the push that's needed to get the regular appointment process over the line. I think, quite frankly, Mr. Chairman, that that's Mr. Strahl's intent in bringing this forward.

The last thing I'll state before I present a subamendment proposal is, for any appointments that happen via the process, let's make sure the same parameters around security requirements and removal for cause are in place. This should be consistent for any member of the board, regardless of how they're appointed.

We'd like to propose, therefore, Mr. Chair, a subamendment to make sure all this is included.

I'm hoping that the clerk is taking note of it, because it does get very granular.

• (1605)

The Chair: Before you do that, Mr. Badawey, I just want to point out that we already have a subamendment on the table by Mr. Muys, so we can't put forward another subamendment on this.

The two options we have are either voting on the subamendment that was proposed by Mr. Muys, or Mr. Muys, you can withdraw it.

Go ahead, Mr. Strahl.

Mr. Mark Strahl: I realize that we might be out of order here, but I think it sounds like there's a good-faith effort to get to the same place, so perhaps we can stand this. I'm not sure, now that there's a government subamendment that will be proposed, whether Mr. Bachrach should be the one collecting all of that.

Perhaps we could get it to the legislative counsel. Everyone can submit their....

Ours includes 12 months, going from six months to 12—Dan's does. Mr. Badawey's read that way—that was part of it. There are some other things we clearly want to have in it, but we can't subamend all the way through.

I take everyone at their word that we're looking for the same thing. Maybe we should stand this and work behind the scenes to get something we can all agree on.

• (1610)

The Chair: Thank you, Mr. Strahl.

The other option we have is for everybody to send what they have to the legislative clerk. There's no middle person. There's no *[Inaudible—Editor]* exactly. The legislative clerk will give us all the ideas back, summarized.... Counsel, excuse me.

A voice: Oh, oh!

The Chair: He doesn't want to give himself work—23 years in and he doesn't want any more work.

I meant the legislative counsel.

Does that work for everybody?

Some hon. members: Agreed.

The Chair: We're going to stand clause 102 until we get advice back from the legislative counsel.

(Clause 102 allowed to stand)

The Chair: We will now move on to clause 103.

Mr. Mark Strahl: Are we going to have a recorded vote?

The Chair: You guys called for recorded votes before. It's up to you.

Shall clause 103 carry?

An hon. member: On division.

(Clause 103 agreed to on division)

(On clause 104)

The Chair: Go ahead, Mr. Strahl.

Mr. Mark Strahl: We would like to see clause 104 deleted. Voting against it, I guess, is how we'd accomplish that.

Clause 104 essentially creates a new clause that allows.... Previously, an officer or employee of a municipality mentioned in the letters patent was prevented from being appointed to the board. Now there's an attempt, with this particular clause, to allow them to be appointed if they're not found to be in a conflict of interest.

I'm not sure who this is for or why this is being proposed. I think there are plenty of candidates who could be appointed and who do not, through their employment, have a built-in conflict of interest. You're an employee of, let's say, the District of North Vancouver, and you're on the board of the Port of Vancouver. You're paid by one. You're supposed to act in the interest of the other. I don't know how you can separate out and choose which issues that are raised result in a conflict of interest.

It's cleaner to have it removed, to not include this new provision to allow municipal...and members of the legislature, etc., to get around this provision. We think it's a clause that actually creates more conflicts of interest, as opposed to removing them.

I don't know why it's in there. We couldn't really get an answer to that. It seems to me that it's creating more conflict of interests than it is preventing. We just think the clause should be negated.

The Chair: Thank you, Mr. Strahl.

I'll turn it over to Mr. Bachrach.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

I believe this is the clause that speaks to both municipal employees and provincial employees. Is that correct? I see Mr. Strahl is nodding.

I represent a region where we have very significant ports surrounded by very small communities or smaller municipalities. It's a situation in which a considerable portion of the population works either for the provincial government or for the municipal government. When you're looking for qualified board members who are able to make that contribution, and have the background and professionalism required for such a position, it's not a huge pool when it comes to local voices for those roles. I think that might be the spirit in which this clause was brought forward by the government: They want to ensure people aren't prevented from filling those roles in their home community when no conflict exists.

I've looked through some of the conflict of interest provisions that are part of the letters patent, and they're fairly strong. We had this conversation when it came to the appointment of labour representatives on ports and looking at what stipulations already exist to prevent conflicts of interest.

If you're a provincial employee and you work for a ministry that has no association with port activities or the marine transportation sector, I feel that shouldn't be a disqualifying factor. I would hope that.... I think Mr. Strahl raises the important question: Where conflicts clearly exist, we don't want people to be put in those positions, but it seems that right now the rules cast that net too broadly and prevent a significant number of people from filling those vacancies.

• (1615)

The Chair: Thank you.

Mr. Strahl, do you have any other questions?

Go ahead, Mr. Badawey.

Mr. Vance Badawey: I agree with Mr. Bachrach: This gives an opportunity for qualified local candidates to be part of the process. Frankly, if, in fact, they have a conflict of interest, it would be under the same rules that anybody else would be under. I agree wholeheartedly with what Mr. Bachrach said.

The Chair: Thank you, Mr. Badawey.

Go ahead, Mr. Strahl.

Mr. Mark Strahl: I guess I'd ask the witnesses. This is a new provision. Previously, they were just excluded. It was not possible. It was deemed that those were inherently conflicting positions—working for another level of government and then getting onto a port board.

Is there a specific case or is this, as Mr. Bachrach said, simply a matter of expanding the qualified pool of...? I would assume that, up near the port of Prince Rupert, there are many qualified candidates, and not all of them work for the government or different levels of government.

What is the impetus for this change, and why is it necessary to include new provisions that allow for employees who were previously considered ineligible because of an inherent conflict? Why is this being done?

The Chair: Thank you, Mr. Strahl.

I could turn it over to our witnesses, perhaps, for a response to that.

Go ahead, Ms. Read.

Ms. Sonya Read: In the context of the ports modernization review, this was one of the issues that was raised, particularly in respect of ports that were located around smaller communities. It's the reason that the provision is being introduced, and also the complementary position in respect of the provincial employees as well. In both cases it was really about expanding the pool of available people who potentially could be appointed to a board of directors. Recognizing that there are substantive provisions both in the letters patent—in terms of how to manage conflict of interest—and understanding, by virtue of the fact they are a municipal employee or potentially a provincial employee, that it can be a very broad net, it's not necessarily inherent they have a real conflict of interest based on their duties in respect of that employment.

The Chair: Thank you, Ms. Read.

Go ahead, Mr. Strahl.

Mr. Mark Strahl: What do the letters patent currently say? Who is the arbiter of those conflicts of interest? Who determines who holds a conflict of interest? What is the process for, perhaps, a complaint or a concern being raised by either the board or a user, someone in the ports system? How do they raise concerns if the board director, who's now an employee of either a provincial or a municipal level of government, does not believe they're in a conflict but someone else believes they are? Who's the arbiter of that, and what does that process look like?

The Chair: Go ahead, Ms. Moriarty.

Ms. Heather Moriarty (Director, Ports Policy, Department of Transport): What I could point to is the Canada Marine Act, subsection 22(1), which actually outlines duty of care as it relates to directors and officers. In there it talks about the fact that they have a vested interest in ensuring that they “act honestly and in good faith”. It does speak to the concerns that you raise in here in respect of conflict of interest. That's in the Canada Marine Act.

As well, there are elements that are contained in the letters patent if there are issues. That is there, as well as, before there are appointments, the vetting procedures that take place within the government system. Then, if there are any issues that are flagged during that tenure, it's my understanding that those are investigated, but I'd have to get back to you on the exact process by which that happens. I don't have it at my fingertips.

What I can say is that there is a requirement in the law that any officer of the court, as it relates to being a board director or other, ensures that they adhere to a certain protocol.

• (1620)

The Chair: Thank you, Ms. Moriarty.

I'm going to turn it back over to Mr. Strahl.

Mr. Mark Strahl: Are there cases, even currently, in which a board member, prior to appointment or as a condition of appointment, has...? We see it here in government as well—a pre-set ethics screen. There are certain ministers who can't talk about Irving because of their relationship with them, etc.

I'm not saying this is bad. This is how the system is supposed to work. Does that system exist, where you say you're a qualified person, but if this type of issue comes up you must recuse yourself, or is that on the good faith of the board member to self-select in that regard?

Ms. Heather Moriarty: I actually don't have the answer to that question with me here now. I'll have to circle back.

Mr. Mark Strahl: I appreciate that. Thank you.

The Chair: Until we get a response, did you want to also stand this one?

Mr. Mark Strahl: Well, sure, if we're willing to do that.

The Chair: Go ahead, Ms. Murray.

Hon. Joyce Murray (Vancouver Quadra, Lib.): I want to comment that I think the idea of a particular screen may be a good solution, because otherwise what's happening here is that the Conservative amendments are at cross-purposes. On the one hand, there is a desire to make sure that appointments happen more quickly, knowing that there sometimes is a pool that's not inexhaustible, and that there are parameters around inclusion, competence and so on. On the other hand, the conversation here could be seeking to reduce the pool.

My thought is that there are many provincial officials who have nothing to do with the port but may have something to do with supply chain, or safety and security standards for the long-term health care system, or something very unrelated to what could create a conflict of interest. They may have a basic experience and competency that would make them an excellent board member. I wanted to make that observation. It's not all port people that we're talking about in the provincial government or municipal government.

The Chair: Thank you, Ms. Murray.

Seeing no other questions, comments or concerns, we will go to a vote on clause 104.

(Clause 104 agreed to: yeas 7; nays 4)

(On clause 105)

The Chair: We are on clause 105.

[*Translation*]

Mr. Barsalou-Duval, you have the floor.

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

You all have the text of amendment BQ-4. I'll spare you reading it out and just explain the purpose of it and what it does specifically.

The amendment would delete all of section 17 from clause 105 of Bill C-33. With respect to section 17.1, the amendment would delete the four words at the end, "without the Minister's approval".

I think everyone around the table is well aware of the testimony heard in committee. Almost all the witnesses were concerned about the appointment of the chairperson of the board of directors. No one wants to get the impression that someone might be appointed to a position like this for political reasons and that this individual might be an instrument of the government or the party in power. All the witnesses seemed to indicate that the current process was

preferable to the one proposed in Bill C-33. That's why we are moving this amendment.

Of course, we could have also deleted section 17.1 completely, but we noted that the current bill amending the Canada Marina Act doesn't address the possibility of appointing an interim chairperson. Removing "without the Minister's approval" seems sufficient to me. This will allow the ports to operate with interim appointments, if certain circumstances require it.

• (1625)

The Chair: Thank you very much, Mr. Barsalou-Duval.

Are there any questions or comments?

Mr. Strahl, please go ahead.

[*English*]

Mr. Mark Strahl: I have one question for Mr. Barsalou-Duval and one for the witnesses.

The first, just to be clear, is this: Does this amendment...? I know it takes out "without the Minister's approval" from proposed new section 17.1, but is the intention—I thought I heard you say this—to delete section 17 in its entirety? This would preserve proposed section 17.1 but would delete section 17, which is the minister's authority to appoint the chairperson. Is that correct?

[*Translation*]

Mr. Xavier Barsalou-Duval: That's correct. Your interpretation is correct.

[*English*]

Mr. Mark Strahl: Certainly, we have.... I think ours is very similar to that.

To the witnesses here, we're talking about, obviously, a case in which the chair is incapacitated or removed and then the vice-chair is incapacitated or removed. We're talking about a fairly uncommon occurrence here, I think, for proposed section 17.1, in which we're down to the third-in-command acting as the chair. What is the current process, in legislation, for a board of directors at a port, if both the chair and the vice-chair are unable to act?

The Chair: Ms. Read, go ahead.

Ms. Sonya Read: Currently the legislation is silent on that. Proposed section 17.1 was to address the scenario in which that happened and what the process would be, because there is no provision right now.

Mr. Mark Strahl: Has it happened in the past? Is this something that has happened that requires a legislative amendment, or is it a looking-ahead, "what if" type of provision? Do you know of any examples in which both the board chair and the vice-chair have been unable to act?

Ms. Sonya Read: I'm not aware of any specific examples, so it is looking ahead, but we can go back to see if there's anything specific that has happened previously. It was identified as a gap in the context of our review of the legislation.

Mr. Mark Strahl: Is this an issue only because the minister, in proposed section 17, would be given the authority to appoint that chair? If the board were just operating without the minister's having power over the chair, I assume they would vote and simply have an acting chair as a resolution of the board, but because the minister has given himself the authority in proposed section 17, that's not possible.

Is that why this is necessary at all, because the minister would now be appointing the board chair?

Ms. Sonya Read: I think that would be part of it. Currently it is the board that appoints the chair, under the existing section 17 of the act. If the minister is responsible for appointing the chair, it would be necessary to have a provision to allow the board to appoint a chair on an interim basis to ensure that there is no gap.

Mr. Mark Strahl: I see.

It would be my understanding, and again, I would seek clarification from legislative counsel, that if the entire clause 105 is deleted, what would happen would be the status quo, which is that the board appoints its own chair from amongst its members, who have been appointed by the minister and others. In the event of an incapacity of both the chair and the vice-chair, the board would simply exercise its authority to appoint another chair. This provision, proposed section 17.1, is necessary only if the minister is given the power to appoint the board chair, which we don't think the minister should have.

I understand what Mr. Barsalou-Duval is doing. He wants to put some limits on the minister's power there. I think the best way to limit the minister's power and allow the board to operate at arm's length is simply to delete the entirety of clause 105, which would then take away the minister's power to appoint the board chair. It would also give the board back the power to act in the best interest of the board in the case of the incapacity of both the chair and the vice-chair.

If it's as good as we can get, I think we would support that. However, I think deleting the entire clause achieves the status quo better, giving control of their operations back to the board without the minister's interference in the board chair's selection process.

• (1630)

The Chair: Thank you, Mr. Strahl.

I'll turn it over to Mr. Bachrach.

[Translation]

He will be followed by Mr. Barsalou-Duval.

[English]

Mr. Taylor Bachrach: I had the same question. If we just scrap this clause from the bill, we go back to the status quo, which seemed to be working in terms of chair selection.

That's my first question: Is that indeed the case?

I think that might be the same question that Mr. Strahl was just asking.

The Chair: For clarification for the legislative clerks, what was the question?

Mr. Taylor Bachrach: If we were to vote down this clause, we would go back to the status quo that existed with regard to the selection of a chair, whereby the port authority boards themselves select a chair from within their ranks. If the chair and the vice-chair positions became vacant, they would simply reiterate that process and select another member from their ranks to serve as chair. That seemed to be working.

The challenge I have here is that we didn't hear any testimony that supported this clause in the bill. Perhaps the witnesses could...

We've referenced the ports modernization review before. I'm curious as to whether there were any participants in that review who called for this specific change to empower the minister to appoint the chairs of port authority boards. Certainly, in witness testimony that we heard before the committee, there were several witnesses who said they didn't like this idea, but we didn't hear from any who supported the government's direction on this.

I'm curious as to whether there's been any supporting testimony.

The Chair: Thank you, Mr. Bachrach.

I'm going to first turn it over to the witnesses to confirm the question you had and whether anybody wants to comment on that.

Ms. Sonya Read: To clarify, Mr. Chair, the question is regarding proposed section 17.1 being necessary if section 17 is removed. Is that the question?

Mr. Taylor Bachrach: That's correct. If clause 105 is—

Ms. Sonya Read: Proposed section 17.1 would not be necessary if section 17 is removed. That is my understanding.

The Chair: Okay.

Then it was with regard to witness testimony reiterating the importance or the need or being in favour of providing the government with—

Mr. Taylor Bachrach: If I could clarify, we heard the witness testimony, so I'm not expecting officials to characterize it. It was more around the ports modernization review and whether this was one of the recommendations coming out of the consultations with stakeholders in that process.

The Chair: Ms. Read.

Ms. Sonya Read: It was not raised by external stakeholders.

The Chair: Thank you, Mr. Bachrach.

[Translation]

Mr. Barsalou-Duval, you have the floor.

Mr. Xavier Barsalou-Duval: I will add one last thing on the same topic.

This amendment is the one the clerk proposed to us in order to achieve our objective, which is to take away the minister's power to appoint chairpersons of the boards of directors.

I will go with what the people around the table want, but, whether we adopt my amendment or the Conservatives' amendment, which simply seeks to strike clause 105 from the bill, including proposed section 17.1, we will achieve exactly the same result. My amendment seeks to delete section 17, and section 17.1 merely formalizes the process that leads to the appointment of an interim chairperson, which would no longer require consultation with the minister, even if the interim chairperson's term exceeded 90 days.

Since we would achieve the same result in either case, I will vote for my amendment.

• (1635)

The Chair: Thank you, Mr. Barsalou-Duval.

[*English*]

Mr. Strahl is next.

Mr. Mark Strahl: In the same vein as what I think I heard Mr. Barsalou-Duval say, I would be happy to withdraw CPC-5, knowing that negating clause 105 would achieve the same result.

Knowing now what we've heard on the kinds of partitions that save one and not the other, deleting the entire clause actually achieves both things, which is to remove the minister's power to select the chair, which we heard again and again was not in the best interest of the port and makes this "Chairperson—absence or incapacity" in proposed section 17.1 unnecessary. That would be up-coming. We would simply, having heard what we heard from the witnesses, believe that the best thing we can do is to delete this clause in its entirety.

The Chair: Thank you, Mr. Strahl.

I have Ms. Murray.

Hon. Joyce Murray: I just want to introduce the perspective of why having the power to appoint the chair may be considered in the first place, as someone who is a Vancouverite. We have the Vancouver Fraser Port Authority, with basically most of the municipalities in greater Vancouver being ones that have some aspect of the Vancouver Fraser Port Authority.

MP Strahl just said that having the minister appoint the chair is not in the best interest of the port, and I can appreciate that. However, there are communities all interwoven and around the elements of the Vancouver Fraser Port Authority that have very strong community perspectives. It may be about conservation of a certain area that the port would like to have as a gravel dump reserve, so it may be about developments that are not in line with the local communities.

My experience—and those I've heard about from other caucus members—is that there's a sense of powerlessness among the municipalities, that the port can overrule and override their interests. If there were some way to.... I mean, we may make a decision as a committee to remove the power to name a chair, but is there a way we can reflect the communities in which the ports are embedded and the fact that the ports, with noise, lights, development, emissions and so on, as well as development of sensitive lands, do affect municipalities that don't necessarily have much of a say in the board?

It's not that this was put in absent of having a rationale to make some improvements for the larger good. It was about addressing an issue that as caucus members—and I won't speak for other ports, but certainly for Port Vancouver Fraser—we've heard about from our municipalities.

The Chair: Thank you, Ms. Murray.

Go ahead, Mr. Strahl.

Mr. Mark Strahl: To that point—and again, I know this testimony has happened over time and Ms. Murray has joined us recently, which is great—I think there are other provisions in the bill that members can point to to show an increased community engagement. Some of them, I think, are a little onerous in some situations for some ports, but there are the advisory committees. There are things like that.

Also, just to be clear, the majority of the appointments are made by a minister. If the minister needs to do a better job of appointing people who are more responsive to local needs, that discussion can happen, but the issue we've heard again and again is that in appointing the chair from amongst that group, when the minister appoints the chair, it adds a layer of politicization that is unhelpful and starts to cloud the arm's-length nature of that board. We heard it from every witness who was asked and had a concern about this.

To Ms. Murray's point, ports can be responsive in other ways, but using this to say that the chairperson's being appointed by the minister is somehow going to provide greater accountability to local municipalities.... We didn't hear that.

In fact, we heard testimony to the contrary. I have rarely seen such a unanimous condemnation of a clause. The minister himself said there had been no case in which the board was acting in opposition to the government, but it could happen in the future. I think we definitely need to delete this clause. If there are problems with the community consultation elsewhere, they can be addressed elsewhere, but not in this clause.

• (1640)

The Chair: Thank you, Mr. Strahl.

Mr. Badawey is next.

Mr. Vance Badawey: Thank you, Mr. Chair.

I as well have seen this and am seeing it as a challenge. I think that for the most part, as Mr. Strahl and others have mentioned, the minister does in fact appoint the board with good people, appropriate people. With that, there's no reason they can't pick amongst each other in terms of a chairperson. We will be supporting Mr. Barsalou-Duval's amendment.

The Chair: Thank you, Mr. Badawey.

Seeing no other questions or comments, we'll go to a vote on BQ-4.

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

The Chair: BQ-4 carries, which makes CPC-5 moot.

Mr. Mark Strahl: I think we can now discuss the amended motion. Is that how this works?

The Chair: Yes. It's over to you, Mr. Strahl.

Mr. Mark Strahl: I appreciate the spirit in which the amendment was moved and has just been passed. Having heard what we heard today, I still think we should defeat the amended proposed section, because now the minister is inserted into the process if there is an acting.... That is, "without the Minister's approval" is removed. I just think it's unnecessary now. If we've taken out proposed section 17 and we've taken out.... Am I correct that the Bloc motion also took out "without the Minister's approval"? Yes, so 17 is gone and "without the Minister's approval" is gone.

It kind of preserves the status quo now, does it not? What does proposed section 17.1 as amended do that is different from what is in current legislation?

The Chair: Thank you, Mr. Strahl.

I'll turn it over to our witnesses to respond to that.

Ms. Read.

Ms. Sonya Read: As I understand it, it would probably provide more clarification for the process.

It would still provide clarification for our process. However, my understanding, based on conversation, is that it is not necessary for the board to appoint a new chair in the event that there was a vacancy under the current process.

• (1645)

Mr. Mark Strahl: Now that the minister is no longer appointing the board chair, though, which we just voted in favour of, why are we limiting the board's ability to appoint a chairperson for.... Why are we saying "90 days" now? Why have we now limited what a board can do to a 90-day period? It will simply go back to the board to...what?

This would seem to be a 90-day recurring cycle. How could the board appoint a permanent replacement? It would be 90-day terms one after the other, if proposed section 17.1 remains.

I stand to be corrected, but that's my reading of it. If the board is back to selecting its own chair, does the 90-day limit not make these short-term, three-month appointments in perpetuity?

The Chair: Ms. Read or Ms. Heft.

Ms. Rachel Heft (Manager and Senior Counsel, Transport and Infrastructure Legal Services, Department of Transport): If there is an absence or incapacity of both the chairperson and the vice-chair, which could be on a temporary basis, this would allow for a temporary replacement until there is a resignation or the chair or vice-chair are removed for incapacity.

Mr. Mark Strahl: If there is a vacancy in the office, it says, "In the event of the absence or incapacity of the chairperson, or a vacancy in that office". I'm not trying to be difficult here. If something happens to the board chair, does this allow the board to impose a permanent solution? Now that section 17 is gone, they don't need the minister's authority anymore.

That's my only question. That 90-day provision seems to me to prevent a board of directors from permanently replacing a board chair or permanently having a vice-chair. I stand to be corrected. I can leave it, but it seems to me that it causes more confusion than the clause is worth.

The Chair: I'll turn it back to Ms. Heft or Ms. Read, and then I'll turn it over to Mr. Barsalou-Duval, followed by Mr. Bachrach.

Ms. Heft.

Ms. Rachel Heft: Under the current system, they can continue to appoint if there is a full vacancy. If it's a temporary incapacity, they could use this clause for a simple, temporary, double-incapacity 90-day window, should that event ever occur.

Mr. Mark Strahl: I've said what I can say.

The Chair: Thank you, Ms. Heft.

[*Translation*]

I will now turn over the floor to Mr. Barsalou-Duval.

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

I think my Conservative colleague doesn't understand that section 17 of the Canada Marine Act still exists. Since this section still exists, the board of directors isn't forced to appoint a new interim chairperson every 90 days in perpetuity.

Section 17.1 of the bill allows the board of directors to appoint an interim chairperson for 90 days. Section 17 of the Canada Marine Act clearly states that:

The board of directors shall elect a chairperson from among their number for a term not exceeding two years, the term being renewable.

Section 17.1 simply puts in place a possible process for appointing an interim chairperson.

The Chair: Thank you, Mr. Barsalou-Duval.

Mr. Bachrach, the floor is yours.

[*English*]

Mr. Taylor Bachrach: I think I'm on the same page as Mr. Strahl. Under the current process, I am unclear on the gap that exists under the current law. Members of the board choose a chair from among their ranks. I would assume that if someone is temporarily incapacitated, the board could pass a resolution temporarily appointing someone else as the chair or vice-chair or third vice-president, or whatever the position may be. Is there anything to preclude that?

It seems that under current law, the board is the master of its destiny when it comes to its chair, and there should be nothing to prevent it from either temporarily or permanently appointing a new chair when it needs to. I guess the question is, where does the gap exist under current law, and why are we entertaining the proposal?

The Chair: Thank you, Mr. Bachrach.

Go ahead, Ms. Heft.

• (1650)

Ms. Rachel Heft: As unusual as the situation is, we believe the boards are currently resolving it themselves if it does come up. Through their resolutions, they must have some form of process, but we don't regulate it.

The Chair: Thank you, Ms. Heft.

Seeing no other questions or comments, we'll go to a vote on clause 105 as amended.

(Clause 105 as amended agreed to: yeas 6; nays 5)

(Clause 106 agreed to on division)

(On clause 107)

The Chair: We'll now go to clause 107, and I'll turn the floor over to you, Mr. Strahl, to address CPC-6.

Mr. Mark Strahl: This is an attempt to recognize the capacity. I know that some other amendments have been proposed that I think are trying to do the same thing, but we heard again and again about the different capacities that exist in the port authorities in this country, based on their size, the number of employees, their revenues, etc.

What this amendment attempts to do is to leave a kind of general direction, which states that:

For the purposes of this Part, the Governor in Council may make regulations respecting the impact of the operation of a port by a port authority on the environment, including climate change, and the impact of climate change on the operation of a port.

It stops there and doesn't go into the prescriptive six individual things a port authority needs to do. It's less prescriptive and more general in nature. It allows for some flexibility on the part of the cabinet to direct ports on what they must do and what they must report when it comes to the environment and climate change.

It takes away the prescriptive nature and leaves it as more general, which I think will be more palatable for the smaller ports that don't have the capacity or are dealing with four or five employees. I think that trying to do all of this reporting would be very onerous for some of the smaller ports. Obviously, for the bigger ports, they're already doing this, in large part.

That was the attempt of the amendment: to make it less prescriptive.

The Chair: Thank you, Mr. Strahl.

I just have a quick note, colleagues. If CPC-6 is adopted, NDP-10 cannot be moved, due to a line conflict. I want to help guide our discussions on that.

I have Mr. Badawey.

Mr. Vance Badawey: Thank you, Mr. Chair.

First off, I'd like to hear from our witnesses on their thoughts on this clause.

The Chair: We have Ms. Read.

Ms. Sonya Read: The intention of this clause is to support broader decarbonization efforts in respect of the marine sector as part of the overall plan regarding climate change mitigation and the reduction of greenhouse gas emissions through the marine sector, including in the port sector. It's providing additional details through regulation in respect of the expectations of ports and the role they play also as intermodal hubs across the range of activities.

The Chair: Thank you, Ms. Read.

Go ahead, Mr. Badawey.

Mr. Vance Badawey: Thank you, Mr. Chairman.

Members, this section of the bill makes it very clear what authorities the government has to make regulations on environmental obligations at ports. I'll even extend it to not only at ports but also with port partners, whatever the method of transportation. This includes the ability to set emissions targets, the contents of climate change reports on a regular basis—timelines, and requirements for “public participation in the development of” these plans.

Mr. Chairman, this is sort of near and dear to my heart, because we've worked quite hard in our part of the world, in Niagara, alongside our partners—for example, with the Hamilton-Oshawa Port Authority and with a marine industry that plies the Great Lakes. I know for example that the marine industry that plies the Great Lakes has Green Marine and Marine Matters, and it really has taken on an initiative in partnership with the federal government, which is what this does, along with the Welland Canal area and, of course, into the Hamilton area as well. We take very seriously the partnership that we have with the federal government when it comes to setting those emissions targets and abiding by the environmental concerns that we all recognize—well, that at least most of us recognize—here in this country.

I can't support this subamendment, simply because it takes away that partnership and that ability that we otherwise have with our partners, not only within marine and within ports but also in the bigger picture with respect to the multimodal hubs that we've created and are strengthening. Quite frankly, Mr. Chairman, I want to add to that. Not only are they being strengthened for obvious economic reasons, but they are also being strengthened by the environmental responsibilities and the stewardship they've taken on in partnership with the federal government.

• (1655)

The Chair: Thank you, Mr. Badawey.

Seeing no other questions or comments, we'll go to the question.

Shall CPC-6 carry?

(Amendment negatived: nays 7; yeas 4)

The Chair: We'll now go to NDP-10.

For that, I'll turn the floor over to you, Mr. Bachrach.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

NDP-10 amends lines 13 to 15 on page 70. The proposed new text reads as follows:

- (a) establishing absolute greenhouse gas emissions reduction targets in respect of the operation of a port by a port authority that are consistent with Canada's international commitments and with the national greenhouse gas emissions targets for each milestone year under the Canadian Net-Zero Emissions Accountability Act;

The idea here is to try to align what we're requiring of port authorities with what the government is doing more broadly. The Canadian Net-Zero Emissions Accountability Act lays out a timeline for reporting and planning. When we're requiring other entities to engage in this planning and reporting exercise, I think it makes a lot of sense that the timelines align, so that the lessons we learn through, for instance, the reports tabled by the commissioner of the environment and sustainable development can be integrated into all of these other plans that we're talking about.

Hopefully that's clear enough. I'll leave my comments at that, Mr. Chair.

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

Yes, Mr. Strahl.

Mr. Mark Strahl: My question is about absolute greenhouse emissions reduction targets. We heard some questions in question period today about, obviously, the caps and things like that. Are we getting ahead of where the government is on other pieces of legislation, or is this matching? I guess, obviously, there have been some questions about how that should be done, but without getting into the commentary, just where are things at? Is this an alignment, or this pushing ahead of where the government is now hoping to catch up on the rest of its absolute greenhouse gas emissions reduction targets?

Maybe Taylor could answer that for me.

The Chair: Thank you, Mr. Strahl.

Mr. Bachrach.

Mr. Taylor Bachrach: My hope is that it would be consistent with what we're pushing the government to do nationally. Our federal greenhouse gas commitments specify absolute reductions as opposed to relative reductions. I think it only makes sense that we require the same when specifying other climate plans and other targets of other entities.

There are gains to be made through efficiencies, of course, but what we're talking about, as a country, is reducing the absolute amount, in tonnes of greenhouse gases, that we're putting into the atmosphere. Other objectives, economic growth, population growth, etc., have to fall within that constraint.

Really what we're talking about is the fact that, over time, our emissions need to go down. Not only is that applicable to us as a country, but it's applicable to the entire planet. We're talking about absolute emissions reductions, as opposed to intensity-based reductions or relative emissions reductions.

That's the intention there. I hope that helps to clarify it.

• (1700)

The Chair: Thank you, Mr. Bachrach.

Seeing no other questions or comments, we'll vote on NDP-10.

(Amendment agreed to: yeas 7; nays 4)

We'll now go to new NDP-11, and for that I'll turn it over to you, Mr. Bachrach.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

This amendment would require the environment and climate change regulations in the amendment we just passed to be implemented within 36 months of the letters patent; otherwise, the minister would be required to create a report to explain the reason for the delay and to do so within 12 months. I could read out the exact wording, with your indulgence:

- (1.2) If no regulations are made for the purposes of each of paragraphs (1.1)(a) to (f) for an existing port authority within 36 months after the day on which this section comes into force or for a new port authority within 36 months after the day on which its letters patent are issued, the Minister must cause a report stating the reasons that no regulations have been made and establishing a schedule for making regulations to be laid before each House of Parliament on any of the first 10 days on which that House is sitting after the expiry of that 36-month period.

Further, proposed new subsection (1.3) states:

- If no regulations are made within 12 months after the tabling of the report referred to in subsection (1.2), the Minister must cause a report stating the reasons that no regulations have been made and establishing a schedule for making regulations to be laid before each House of Parliament on any of the first 10 days on which that House is sitting after the expiry of that 12-month period and at least once every subsequent 12-month period as long as no regulations have been made.

This is an accountability measure. It's to serve as a backstop in the case that no regulations are made within the stipulated time frame. Otherwise, I think it should be fairly self-explanatory, if somewhat lengthy.

The Chair: Thank you, Mr. Bachrach.

Seeing no questions or comments, we'll go to a vote on NDP-11.

(Amendment agreed to: yeas 7; nays 4)

(Clause 107 as amended agreed to: yeas 7, nays 4 [*See Minutes of Proceedings*])

(On clause 108)

The Chair: We'll now go to clause 108 and BQ-4.1.

• (1705)

[*Translation*]

I therefore give the floor to Mr. Barsalou-Duval.

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

The comments I am going to make will sound familiar to some members of the committee since we addressed this at our last meeting. I had mentioned to you that the main amendment was amendment BQ-4.1. It basically allows port authorities to work together. They could, for example, form joint ventures, carry out certain activities together. This would give them more flexibility and remove their obligation to compete with each other. This would sometimes even enable them to complement one another and to work better together, to the greater benefit of our supply chain and consumers.

That was my presentation of amendment BQ-4.1. I hope everyone will support it.

The Chair: Thank you, Mr. Barsalou-Duval.

[*English*]

Are there questions or comments?

I will turn it over to Mr. Badawey.

Mr. Vance Badawey: Thank you, Mr. Chair.

I do like the intent of this motion. It's actually something we're working on with many port authorities currently. Quite frankly, there are more than port authorities. As I was saying earlier, it's more multimodal, so it's rail, water, road and air.

However, we need to hear thoughts, first of all, from the witnesses. Perhaps I can hear those first, and then I will have some comments to make, Mr. Chair.

The Chair: Thank you, Mr. Badawey.

I'll turn it over to you, Ms. Read.

Ms. Sonya Read: With respect to the proposed amendment, I think the key concern, from a departmental perspective in respect of the existing legislation, is understanding whether the joint entity would actually be acting as an agent of the Crown. I believe the previous amendment, BQ-3.1, which would have limited agency, was not accepted by the committee. It was not adopted by the committee. Some of the provisions in terms of the existing restrictions, I think, around collaboration in ports are focused on ensuring that the risk to the Crown is managed and that the nature of the collaboration does not place undue risk on one port authority or another. They ensure the continued financial self-sustainability of the ports. Those would be the key considerations, from a departmental perspective.

The Chair: Thank you, Ms. Read.

Mr. Badawey, go ahead.

Mr. Vance Badawey: Thank you, Mr. Chair, and thank you, Ms. Read.

Mr. Chair, all of the ports' allowable activities are governed by its letters patent. When you look at this section in the Canada Marine Act, you'll see that paragraphs 28(2)(a) and 28(2)(b) both reference letters patent. If we're proposing to create a new class of allowable port activities, such as joint ventures, I think they should also be specified in the letters patent, as are all other activities. This would help us to be consistent and to make sure, Mr. Chairman, there is appropriate oversight of these new entities. I know that the member's previous related amendments all made reference to the letters patent.

I'd like to propose, Mr. Chairman, a subamendment to this, if it's in order, that inserts that language, just to be consistent.

The Chair: Could you specify, Mr. Badawey, what language and where?

• (1710)

Mr. Vance Badawey: I'll read the subamendment. It will articulate all that.

The Chair: Thank you.

Mr. Vance Badawey: It adds, after line 7 on page 71, the following:

(1.1) Section 28 of the Act is amended by adding the following after subsection (2):

(2.1) Therefore, to the extent authorized in each participating port authority's letters patent, two or more port authorities may jointly, through a corporation, partnership, joint venture, association or other entity whose shares or other ownership interests are all held by port authorities, engage in the activities referred to in subsection (2)."

The Chair: Can you send that to the clerk, please? Thank you, Mr. Badawey.

Are there any questions or comments on Mr. Badawey's subamendment?

Monsieur Barsalou-Duval, go ahead.

[*Translation*]

Mr. Xavier Barsalou-Duval: Thank you, Mr. Chair.

I obviously haven't seen what Mr. Badawey is proposing in writing. I would like a copy of the subamendment. However, if I understand correctly, it would essentially amount to wearing a belt and suspenders. At the last committee meeting, we passed amendment BQ-3.2, which allowed the government to amend the letters patent of port authorities to enable a port authority to operate jointly with other port authorities.

Amendment BQ-4.1 allows port authorities to carry out joint ventures. What I understand is the government is looking to add the element requiring that the letters patent be amended in advance. In my opinion, that was included in amendment BQ-3.2, which the committee has already adopted.

However, if the government wishes to add specifics to ensure that everything is clear and that the paragraphs don't contradict each other, I will gladly support the subamendment. Having said that, I'd like to see the text first, of course.

Amendment BQ-3.1 was not adopted. Personally, the fact that amendment BQ-3.2 was adopted despite that reassures me. This amendment requires the government to authorize activities by amending the letters patent of the ports. Before a port decides to carry out an activity, it must ask the government to amend its letter patent. After that, the ports carry out their joint venture. So the government has some control over that.

Obviously, if the intent is to wear suspenders with a belt, the Senate still has the option of resurrecting the failed amendment BQ-3.1. Of course, personally, I would have preferred that the committee also adopt that amendment.

The Chair: Thank you, Mr. Barsalou-Duval.

We will ensure that the text of the subamendment is translated.

[*English*]

In the meantime, while we are waiting on translation, I will suspend.

This meeting is suspended until such time as we have translation for the subamendment proposed by Mr. Badawey.

Thank you, colleagues.

• (1710) _____ (Pause) _____

• (1725)

The Chair: I call the meeting back to order.

Colleagues, we will have translation, but most likely will not have time to debate, so what we will do is adjourn for today. If it's the pleasure of the committee, we will see you all back here on Wednesday at 7:30 p.m.

I'm seeing no objections. The meeting is adjourned.

[*Translation*]

Have a good evening, everyone.

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