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Chair

Mrs. Deborah Schulte

Standing Committee on Environment and Sustainable Development

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• (1535)

[English]

The Chair (Mrs. Deborah Schulte (King—Vaughan, Lib.)): We're going to bring the meeting to order. Welcome back, everyone, from constituency weeks. Welcome to the minister and staff.

Jonathan Wilkinson, it's really great to have you with us.

We're looking forward to having good dialogue, good questions and answers. I don't know if I need to say anything else other than, I will turn the floor over to the minister.

Thank you so much for being here today.

Hon. Catherine McKenna (Minister of Environment and Climate Change): Great, and thank you very much, Madam Chair.

[Translation]

Good afternoon everyone. I am delighted to be here.

[English]

I'm going to start by recognizing we're on the traditional territory of the Algonquin and Anishinabe peoples. That's something I take extraordinarily seriously in my job. Indigenous peoples—first nations, Inuit, and Métis peoples—were the first stewards of our land, our water, our air, and protectors of our animals.

Madam Chair, members of the committee, dear colleagues, I'm delighted to be here with you today to discuss the 2017-18 main estimates for Environment and Climate Change Canada, the Parks Canada Agency, and the Canadian Environmental Assessment Agency. I'm pleased to be joined today by Jonathan Wilkinson, my awesome parliamentary secretary, whom you know well; Dr. Stephen Lucas, deputy minister of Environment and Climate Change Canada; Daniel Watson, CEO of the Parks Canada Agency; and Ron Hallman, president of the Canadian Environmental Assessment Agency.

[Translation]

I would like to use this opportunity today to look back at some of our achievements this past year in protecting our environment and strengthening our economy. I would also like to look forward at some of our plans to build on these successes.

[English]

My key priority continues to be ensuring our government provides national leadership to reduce emissions, fight climate change, and make Canada competitive in the emerging low-carbon global

economy. As I always say, the environment and the economy go together. We know that the world is moving, markets are moving, and that we need to support innovation, good jobs, and clean growth for all Canadians.

[Translation]

Planning for a low-carbon economy today is the smart strategic decision for Canada's present and future economic prosperity.

[English]

Canadians understand this. They know that reducing our greenhouse gas emissions will make our economy more competitive and allow it to grow in a sustainable way.

The transition is already under way. On December 9, 2016, Canada's first ministers and indigenous leaders finalized the pan-Canadian framework on clean growth and climate change. This plan will allow Canada to meet its emissions reduction target of 30% below 2005 levels by 2030.

[Translation]

The approach will be to give Canada an edge in building a clean-growth economy. It will make Canadian businesses more innovative and competitive. It will bring new and exciting job prospects for middle-class Canadians. As well, as a co-benefit, it will also reduce the pollution that threatens our clean air and oceans, as well as the health of Canadians.

[English]

We're supporting the framework with a series of regulations that will play a key role in meeting our Paris target. These include methane, hydrofluorocarbons, heavy-duty vehicles, the phase-out of traditional coal-fired electricity by 2030, and performance standards for natural gas-fired electricity. We're also working to develop a federal clean fuel standard.

We're helping Canadian companies adopt low-carbon, energy-efficient equipment and processes. We're promoting Canadian innovation and supporting clean technology companies as they scale up to compete in the global market.

Budget 2017 includes major investments in clean innovation that will ultimately create good middle-class jobs and reduce Canada's greenhouse gas emissions. As well as funding for green infrastructure and renewable energy, budget 2017 provides more than \$2.2 billion to support clean technology.

[Translation]

I would like to turn now to the 2017 main estimates.

But before I begin, I want to emphasize that the main estimates we are discussing today do not include new funding announced in Budget 2017. The amounts are a portion of the funding that the department and the agencies in my portfolio will request over the course of the fiscal year.

[English]

In terms of the 2017-18 main estimates for Environment and Climate Change Canada, planned spending is \$987.3 million. This is an increase of \$85.2 million over the 2016-17 main estimates.

• (1540)

Since tabling these main estimates, budget 2017 provides for action on short-lived climate pollutants, our transportation system, accelerating the phase-out of coal-fired electricity generation, performance standards for natural gas electric generation, developing a framework for offshore renewable energy projects, and establishing a new Canadian centre for climate services.

[Translation]

Budget 2017 also provides funding to better protect Canada's freshwater resources, including in the Great Lakes and Lake Winnipeg basins. As well, it allocates funds to support strong action on air pollution.

[English]

Madam Chair, I would like to now bring to your attention the important work that is being done by Parks Canada to preserve our national parks, expand the system of protected places, and contribute to the recovery of species at risk.

[Translation]

National parks, national historic sites and national marine conservation areas represent the very best that Canada has to offer and tell stories of who we are, including the history, cultures and contributions of indigenous peoples.

[English]

The year 2017 marks the 150th anniversary of Confederation, and it's a chance for all Canadian families to get out and explore the rich, natural heritage that Canada has to offer. As you all know, admission to all national parks, national historic sites, and national marine conservation areas operated by Parks Canada is free this year. I'm delighted to let you know that we've already received over 5.5 million orders for the free 2017 discovery pass.

We tabled amendments to the Rouge National Urban Park Act, which will protect the Rouge's important ecosystems and ensure that ecological integrity is the first priority when managing the park.

[Translation]

We are continuing to invest in infrastructure work to heritage, visitor, waterway and highway assets, including highway and trail projects. These investments will ensure the quality and reliability of visitor facilities, continue to allow Canadians to connect with nature, and create jobs and economic growth through tourism.

[English]

Budget 2017 provides up to \$364 million over two years starting in 2018-19 to continue the management of national parks, national marine conservation areas, and national historic sites across the country. Investments in infrastructure ensure visitor safety and preserve our cultural heritage while supporting local communities.

In terms of the 2017-18 main estimates for the Parks Canada Agency, the planned spending for this fiscal year is approximately \$1.4 billion. This is an increase of \$215 million when compared with last year's main estimates. Budget 2017 also commits to expanding Canada's system of protected places.

In support of Canada's biodiversity targets to protect 17% of our land and 10% of coastal waters, we're advancing work to create new national parks and marine conservation areas, including the Thaidene Nene area in the Northwest Territories and marine areas in the Îles de la Madeleine, Lancaster Sound, and the southern Strait of Georgia.

[Translation]

We will also work with relevant provincial governments and indigenous organizations on potential new protected areas, including a proposed national park in the Manitoba Lowlands, and an additional marine conservation area in James Bay.

[English]

Funds are allocated to complete and maintain the Trans Canada Trail system. The trail connects people across the country, touching every provincial and territorial capital and linking together 15,000 communities. Once completed, the trail will be within 30 minutes of almost 29 million Canadians.

I'd also like to say that I'm very proud of our support for the indigenous guardians program. I think people are very excited about that program, and working with indigenous peoples is key to protecting our special places.

•(1545)

Madam Chair, I would now like to turn your focus to the Canadian Environmental Assessment Agency. Our government's priority on this front is to restore public trust in the federal environmental assessment processes so that we can get resources to market sustainably in the 21st century. We want to introduce new processes that are fair and robust, are based on scientific facts and evidence, serve the public's interest, respect the rights of indigenous peoples, and require project proponents to use the best technologies available to reduce environmental impacts.

[Translation]

When we last met, I had announced an interim approach and principles to guide the assessment of major projects. Since then, we announced a review of federal environmental assessment processes last June.

[English]

An expert panel travelled across the country listening to Canadians, including indigenous peoples, on how to strengthen the environmental assessment process. On April 5, the expert panel report was released. We have been receiving comments from Canadians on the panel's recommendations. We'll be coming forward with proposals to achieve our goals based on the panel's report and other inputs, including discussions that we are having with indigenous peoples.

The Canadian Environmental Assessment Agency's total 2017-18 main estimates is \$34.1 million. This is a net increase of \$3.2 million, compared with the 2016-17 main estimates.

Together, the main estimates and new spending in budget 2017 will help create the clean-growth economy necessary for the collective health, prosperity, and security of this generation of Canadians and the next.

[Translation]

Before I close, I would like to take this opportunity to talk about the tremendous work you are all doing within this committee. The health and sustainability of the environment is not a political issue. It is a tremendous responsibility to Canadians and to future generations of Canadians.

[English]

As you've demonstrated with your unanimous report on protected areas, this committee has a remarkable track record of working in a collaborative manner in providing recommendations to our government on important issues. We take these recommendations seriously.

I'd like to thank you for the report and note that I met with my counterparts from the provinces, territories, and national indigenous organizations this February. An important outcome is the collaborative process that we've embarked on. We're calling it "pathway to target one". It brings together all our partners to develop advice and guidance on how to achieve our 2020 Aichi targets. I look forward to providing an update as this work progresses and responding to your committee's report.

[Translation]

I also appreciated your thoughtful work in developing recommendations to strengthen the Federal Sustainable Development Act, another unanimous report, and one we hope to move forward on in the very near future.

[English]

Finally, over the past year you have also been carrying out crucial work with your review of CEPA, 1999. This summer my officials and I will be taking a close look at options to improve CEPA. Our government is open to meaningful changes, and your recommendations will help us in this effort.

[Translation]

As well, I am aware that the committee may be studying heritage places. I am looking forward to learning more about this work.

Finally, I want to thank all of you for the valuable contribution that this committee provides to all Canadians.

[English]

I look forward to your questions.

[Translation]

Thank you.

[English]

The Chair: Thank you very much, Minister, for that great overview of the work your departments are doing and for the summary of the main estimates.

I'm going to turn it over to the committee for questions. First is Mr. Fisher.

Mr. Darren Fisher (Dartmouth—Cole Harbour, Lib.): Thank you very much, Madam Chair.

Thank you, Minister and team, for being here today. Thank you for acknowledging the work we've done to come up with not one but two unanimous reports. It's something we've worked very hard on, and something, as a committee, we're very proud of.

You spoke of some of the recommendations in our most recent report on protected spaces. One of the recommendations, I want to point out, envisioned the federal government partnering with municipalities, provinces, territories, and interested governments to work towards hitting our targets, the commitments we've made for protected spaces.

I think I probably have harassed you enough on this topic, when you walk by me all the time. When I talk about Blue Mountain-Birch Cove Lakes wilderness area in Halifax, I think about the impact such a partnership could have on this space. This would be our Rouge park.

The municipality is working hard to secure the appropriate lands, and I think of the impact a partnership with the federal government could have. I'm interested in your thoughts. With the perceived decrease in planned spending on protected areas in this budget, with the expectation that spending will go up but our time is running out, I'm interested in your thoughts on how partnering with other levels of government could impact our hitting the targets we've committed to.

● (1550)

Hon. Catherine McKenna: Thank you very much, Darren. You never harass me. It's fine.

I totally agree with you that we need to be partnering with municipalities. We need to be partnering with provinces. We need to be partnering with the private sector. There are private organizations that do really great work, such as the Nature Conservancy of Canada, so that we can meet our Aichi targets. That's why we've set up this working group with Shannon Phillips, the Alberta Minister of Environment, which is going to set out the pathway to Canada target one initiative. We need to bring all the partners together.

I will say that I recognize the need for additional funding. As we develop this, I will certainly be bringing that forward.

Mr. Darren Fisher: That's perfect.

Few things are more iconic in the Halifax Regional Municipality than our town clock. We have many well-trained historical carpenters and tradespeople who are very capable of restoring large projects like this clock to bring it back to its former glory.

In May 2016 we heard that the clock would receive a facelift. We just heard, though, when the tender was released last month, that Parks Canada will consider or will be swapping out the original, historical wooden hand-crafted features that represent the architecture of this town clock, for more modern plastic and aluminum pieces. With Parks Canada funding increasing for visitor experience, it's my hope and everyone else's hope back in Nova Scotia that we would properly maintain and restore the historical infrastructure that we have.

Do you expect funding will be properly allocated to ensure that Parks Canada will take care of this treasure of ours, this national treasure?

Hon. Catherine McKenna: Thank you very much for the question.

Making sure that we improve our heritage sites is very important to this government. Significant funding has been allocated for that. We are working with heritage experts to review the proposed conservation to ensure it respects the heritage character of the old town clock, of course while ensuring that we respect taxpayers' dollars in protecting this iconic structure for the future. This work is currently under review by the Federal Heritage Buildings Review Office and recommendations will be forthcoming. Work will protect the specific heritage character, defining elements of the structure, which would include windows and columns. I'm happy to follow up with you in more detail.

Mr. Darren Fisher: Thank you.

When you talk about the review of the process, will the tender speak to...? Maybe we'll talk off-line about this. My concern would be that the tender would come out and would speak to the specifics of the new, modern pieces, whereas the review might speak to the importance of keeping it historically accurate. Again, I'll take this off-line with you, but I'm hoping there's a parallel there, so that one doesn't happen before the other, and we get a quote on something that's plastic and aluminum and then we decide later that we should do it the historical way.

Hon. Catherine McKenna: I am happy to follow up off-line, but why don't I give Daniel Watson, the CEO of Parks Canada Agency, a chance to respond?

Mr. Darren Fisher: Thank you.

Mr. Daniel Watson (Chief Executive Officer, Parks Canada Agency): We've received some correspondence on that. Some challenging decisions are to be made about the structural integrity of different historical pieces. At times we have to make some challenging calls on how best to protect them for the future.

I know on this one that the local field unit superintendent has offered to meet with some of the interested correspondents on that front and have this conversation about the best way forward, and some of the reasons, at least, on how we've come to some of the conclusions that we announced in the tender on that front.

Mr. Darren Fisher: Thank you, Minister.

The Chair: You have one minute.

Mr. Darren Fisher: That's all I have.

The Chair: Okey-dokey.

We'll move to Mr. Fast.

Hon. Ed Fast (Abbotsford, CPC): Thank you, Minister, for appearing before us this afternoon. Welcome back, and also welcome back to Jonathan Wilkinson. It's good to have you back at the table.

I'm going to jump right in. Let's talk about carbon taxes, or as you call it, carbon pricing, but I think Canadians better understand the term carbon taxes because they know this is coming out of their pockets. I believe every member around this table acknowledges Canada has a responsibility to address its greenhouse gas emissions and the impacts of it. Where we differ is how we do that.

Over the last year and a half, your government has crafted a climate change plan, which includes the imposition of a massive carbon tax on Canadians that will ramp up to \$50 per tonne of emissions by 2022. Even though most provinces have some kind of a regime in place to do that, none of them has a \$50 per tonne price. This is a policy that definitely comes out of your government.

Canadians have a right to ask what this will mean for them directly, for their families, and for their business. A report was prepared by your department. I'm assuming some of that work was started even before you got into government, but the report is dated October 20, 2015. That report appears to outline the impacts of the carbon tax.

I will quote very briefly from that report. It's from Paul Rochon to Jean-François Perrault and right on the front page it talks about the context and key findings. It says, "These higher costs", referring to carbon taxes, "would then cascade through the economy in the form of higher prices, thus leading all firms and consumers to pay more for goods and services with higher carbon content."

Then we go to the details and we read this memo, referring to the memo that presumably your department prepared, which provides an assessment of the economic greenhouse gas emissions impacts from a global carbon price. The key findings from our assessments are as follows. Bullet 1 is blacked out, redacted. Bullet 2, what these key findings were, is blacked out. Bullet 3 talks about the price that's required to limit the rise in average global temperature to two degrees. The actual price is blacked out. Bullet 4 is blacked out, nothing there, and so it goes throughout the whole memo.

There's a failure to let Canadians know what they're going to be expected to pay, what the impact will be on them and their families. Now we have this report that I believe, legitimately, Canadians should have full access to, given that it has such ramifications for them. In your mandate letter, Minister, there's a provision that says your government will be transparent and wants to improve transparency and openness with Canadians. I think this is a case where Canadians really have a right to know what a carbon tax will mean for them.

Can I get your commitment today to provide Canadians with a fully unredacted version of the report that was done within your government?

• (1555)

Hon. Catherine McKenna: I'm extraordinarily proud that our government has put a price on pollution because we know any credible climate plan needs to have a price on pollution. We've taken an approach where we not only have a price on pollution but we have regulations, because we believe that is the most cost-effective way, keeping in mind competitiveness.

I will remind the member that we had a carbon pricing leadership coalition, which included major companies, energy companies, consumer goods companies, and all five banks. They said they support putting a price on pollution because it is the most efficient way to reduce emissions and to do what we also want to do, which is to foster innovation and create good jobs.

I was in California where we had major investments, major venture capital firms, private equity money, that are very excited about investing in Canada because we are moving forward on a serious climate plan and we are going to create the innovations that are going to create good jobs here. I will remind the member—

Hon. Ed Fast: Minister, the question was very simple. The report that was done by your department outlined the impacts of a carbon tax on Canadians. Will you provide Canadians with a fully

unredacted copy, in other words a full copy, so that they can see for themselves what the impacts will be as identified by your departmental staff.

Hon. Catherine McKenna: The report you are referring to was prepared under the previous government. It does not reflect our climate change plan.

We did put out an economic analysis of the pan-Canadian framework, including a document that goes through our approach to carbon pricing. The impact of carbon pricing will depend on each province's approach.

We have taken the approach that it is up to provinces and territories to put a price on pollution. Eighty per cent of Canadians live in a jurisdiction where there's a price on pollution, and the precise impact will depend on the approach taken by the province. It will depend on their economy, on what they plan on doing with the revenues, and on whether they put a direct price or they have a different system.

• (1600)

Hon. Ed Fast: Minister, I just—

The Chair: Mr. Fast, I hate to do this, but believe it or not we're past the six minutes.

Hon. Ed Fast: Yes or no, will you provide Canadians with a full impact analysis?

Hon. Catherine McKenna: We have. We have given the full impact. I'm happy to direct you to the report that reflects what we are doing with our plan, not the previous government's approach.

The Chair: We have to cut it off there.

Ms. Duncan.

Ms. Linda Duncan (Edmonton Strathcona, NDP): Thank you, Madam Chair, and thank you, Madam Minister, and your officials for being here. It's always nice to see Jonathan, and it's always nice to see Daniel because I see him frequently in our beautiful city.

My first questions to you, Madam Minister, relate to part of your mandate, which is to treat our fresh water as a precious resource that deserves protection and careful stewardship. Yet your government's budget in the main estimates allocate only meagre monies, and it appears to be only for the Great Lakes and Lake Winnipeg.

As you're aware, the result of the UNESCO investigation triggered by the Mikisew Cree has issued a very stern warning to your government. They have stated that there's a good chance our country will lose the designation or at least have Wood Buffalo listed as a site in danger unless you immediately—and these are their words —“develop a structured and adequately funded” action plan guided by their 17 very strong recommendations. Those include doing a study of the environmental flow assessment for the Peace, Athabasca, and Slave; conducting environmental and social impact assessments of site C, particularly in Alberta and in the Peace-Athabasca delta; and study the sufficient water supply for transporter communities and impacts on additional harvesting.

UNESCO also called on you to directly engage the indigenous peoples in the preparation of this plan, yet I hear from the Mikisew Cree that they have not yet been reached out to.

Can you tell me what action has been taken to make sure there is a timely response to UNESCO?

Hon. Catherine McKenna: Thank you very much.

We are certainly committed to the ongoing protection of Wood Buffalo National Park, and we welcome the review by UNESCO. It is a reminder that we need to always work to protect Canada's special places, and it's a call to action.

We know we need to be working with the Mikisew Cree. In fact, I met with representatives of the Mikisew Cree just a few months ago when we hosted our Parks Canada conference. I had a good conversation, but clearly we need to be doing more and we need to be working with all levels of government. It is not just the federal government. It is provincial governments also, industry, stakeholders, and other indigenous partners. We're certainly going to be continuing that process. We're going to do this, and we need to ensure we do a lot better when it comes to the ongoing protection of Wood Buffalo National Park.

Ms. Linda Duncan: Thank you. It's not very reassuring. It doesn't sound like an immediate response, and I'm hoping this doesn't put that world heritage site at risk as we are thinking of designating new ones.

On environmental impact assessment, I'm wondering, Madam Minister, if you would consider issuing a white paper stating your government's views on the recommendations from your expert report and the feedback you receive before you table a bill. My concern is that there has been a propensity in your government not to accept amendments. Would you give consideration to issuing a white paper as has been the practice of a number of previous governments when they tabled major environmental legislation?

Hon. Catherine McKenna: Sorry. I'm not sure I understood your comment. Are you talking about the review of environmental assessments?

Ms. Linda Duncan: You had an expert panel. You called for comments. I'm wondering if, in between this work and the tabling of a bill, you would consider issuing some form of white paper stating where the government is at so that people can be prepared when the legislation comes forward.

Hon. Catherine McKenna: Sorry. I just wasn't sure if you were talking about environmental assessments. That is our intention. We

don't call it a white paper anymore given the history. We will call it a discussion paper, but the intention is absolutely there. We are now taking comments and feedback.

I was just in Halifax last week where I met with what is called the ACE committee. It's the AFN's committee on the environment. I met also with representatives of industry, and we're going to continue the discussions. Then it is my intention to release a discussion paper. I want to be constructive. Of course, we need to make sure we do better and rebuild public trust in environmental assessments, but we also need to make sure we listen to the concerns of industry, and we get it right. This is a major piece of legislation, and I certainly look forward to working with the committee.

• (1605)

Ms. Linda Duncan: Meanwhile, Madam Minister, there are projects proceeding and being approved and those include the oil sands. Under the previous government, the Harper government, they chose to exempt a good number of the oil sands projects from federal assessment.

One of the areas that the first nations in northern Alberta are concerned about is the use of solvent for in situ, and currently in situ are exempted from CEAA. Six aboriginal groups contacted me last October making that request and I'm wondering if you are moving forward to make some kind of interim measure to make sure that for any new projects that are proceeding as we sit here, potential impacts to first nations lands and to northern Alberta are considered as those projects go forward and may be approved.

Hon. Catherine McKenna: We certainly understand the need to get environmental assessments right. That's why we release interim principles that provide certainty to industry about how we're moving forward, but it's also to rebuild trust. That includes additional engagement with indigenous peoples. That includes making decisions based on science and evidence. We know that going forward we have an opportunity to review exactly what you're saying, what types of projects fall under environmental assessments. We know we can do better. That's why we are listening to stakeholders, indigenous groups—and as I said, I have already started meetings with them—as well as industry, environmentalists, and other stakeholders.

The Chair: Thank you very much.

Next up is Mr. Bossio.

Mr. Mike Bossio (Hastings—Lennox and Addington, Lib.): Thank you, Minister, Jonathan, and others for being here today. We really appreciate your taking the time to answer our questions.

As you mentioned earlier, we are just finishing up a study on the Canadian Environmental Protection Act and, as you also know, I have raised this issue before. Since Darren doesn't bother you, I'm sure I don't. I spent almost 20 years fighting the spread of toxic chemicals in our water as a result of landfills, in particular in my own home community, with the impact of that at home and in the neighbouring community. The key problem is that our drinking water standards are not good enough.

The drinking water standards are federally made and then they are adopted in part or in whole by the provinces or in some cases not at all. One of those chemicals is 1,4-dioxane. It is a chemical for which the U.S. EPA and many of the states in the U.S. have established a one to three microgram standard, but here in Canada the federal level is 50 micrograms, so it's very outdated.

As a result of that, when we find these toxic chemicals in our environment, as we have in this particular instance, the company that is responsible for contaminating residential wells doesn't have to do anything about it. Because there are no drinking water standards, there is no health impact. It doesn't matter that there are thousands of chemicals that exist in leachate and that are found in residential wells, if the drinking water standards don't reflect the toxicity that exists—and 1,4-dioxane is a known toxic carcinogen—that doesn't happen.

What I'd like to know is this. As we move forward around this issue and around CMP, the chemicals management plan, in particular, are we dedicating the financial resources to add personnel around the assessment of chemicals and setting drinking water or even air quality standards right now, today?

Hon. Catherine McKenna: I'd like to thank the member for his question and also I'll say I'm always happy to hear from everyone. We're in this together.

The focus of your question is related to guidelines for drinking water quality. This activity is actually the responsibility of the Minister of Health in collaboration with provinces and territories. Our government continues with the implementation of the chemicals management plan. We know we need to reduce risks posed by chemicals to Canadians and to the environment.

For the substance in question, 1,4-dioxane, it was assessed by the Government of Canada in 2010 and found not to be of concern to the environment or harmful to the health of Canadians at current levels of exposure. It's included in our national pollutant release inventory, the NPRI, which is Canada's legislated, publicly accessible inventory of pollutants released, disposed of, and sent for recycling by facilities across the country. Industrial, institutional and commercial facilities that meet legislative NPRI reporting requirements must notify Environment Canada of their releases. Certainly, should emissions increase over time, we will investigate and adopt the necessary steps to control releases.

I'm also happy, if you would like, to have my deputy speak to this issue.

• (1610)

Mr. Mike Bossio: Sure.

Mr. Stephen Lucas (Deputy Minister, Department of the Environment): Chair, I would just add that in support of furthering

our work under the chemicals management plan, which we do jointly with Health Canada, the Canadian Council of Ministers of the Environment has a water management committee of technical officials looking at it. They also looked at 1,4-dioxane in water and did conclude that bioaccumulation, bioconcentration, and biomagnification were unlikely to be significant processes in aquatic systems.

But this is an area, as the minister noted, we continue to monitor through the national pollutant release inventory and will continue to look at going ahead.

Mr. Mike Bossio: Thank you.

I'm a member of the indigenous committee as well and I also live right next door to the Mohawks of the Bay of Quinte and I've been very fortunate. The chief, Donald Maracle, and Dr. Marlene Brant Castellano have become close friends and have educated me a lot on the traditional management of the environment, the cultural nature of that management, and the importance of it within their culture and to their people.

Can you tell me how our government will integrate indigenous knowledge to better understand things like climate change or how to better protect our environment?

Hon. Catherine McKenna: This is a very important point. Indigenous traditional knowledge is already used by Parks Canada, by the Canadian Environmental Assessment Agency, as well as by Environment and Climate Change Canada.

However, I do believe we can do better. In fact, when I was speaking with the AFN's ACE committee, one of the elders there invited me to work with the elders to develop better guidelines when it comes to indigenous traditional knowledge. This was a commitment. For example, when we released our interim principles on environmental assessments, we said we needed to be incorporating indigenous traditional knowledge. It's not just a "nice to have". We need to be using it. We need to be understanding this knowledge, and we need to be working with indigenous peoples.

It is a challenging area in some ways in that different communities have different approaches to indigenous traditional knowledge and I think you need to be respectful of that.

There are other issues in relation to intellectual property, so I think that having a comprehensive approach—not just for my ministry but for all ministries—when it comes to how we work with indigenous traditional knowledge and incorporate it in a respectful way is going to be very important.

The Chair: Thank you.

Mr. Mike Bossio: Thank you, Minister.

The Chair: Just so you know what I'm doing up here, I'm trying not to interrupt so that when we are at one minute into the questioning I signal and then when we're done I signal. I like to try to keep it so that everything is fair for everybody.

All right, Mr. Shields.

Mr. Martin Shields (Bow River, CPC): Thank you, Madam Chair.

Thank you, Minister, for being here with your assembled group. We appreciate that.

Minister, if I'm not mistaken you visited the Boundary Dam in Saskatchewan. Were you impressed with the technology that's being used to drastically reduce the CO2 emissions in the coal-fired generation facility there?

Hon. Catherine McKenna: I did have the opportunity to visit the Boundary Dam in Saskatchewan, which is using carbon capture and storage technology in a coal-fired plant. In fact, apparently I brought the Minister of Environment for Saskatchewan and that was the first time he actually saw it in operation.

Yes, I certainly thought it was very interesting. I think the challenge, getting back to your colleague's question about price, is that the price of reducing emissions approaches over \$200 per tonne, so we look for low-cost ways. I know the Government of Saskatchewan has supported that but if you're looking at cost-effectiveness I think that needs to be a consideration. I know the Saskatchewan utility is looking at whether they move forward with this technology, whether it makes sense from an economic perspective.

Mr. Martin Shields: Good point.

How much money is allocated for carbon capture and storage technology by your government in the next three years?

Hon. Catherine McKenna: I'm very happy to talk about our support for clean innovation. It's \$2.2 billion, but what we don't do is decide what technology is the right technology. I don't think, from an economics perspective, that's the right way to approach it. We need to reduce emissions and we need to figure out what's the lowest cost and the smartest way to do that, working with provinces and territories obviously, and indigenous peoples.

•(1615)

Mr. Martin Shields: Regarding the postponement of the \$1.25 billion from adjusting the low-carbon economy fund budgeted in 2017, what would be the further impact on technologies like carbon capture and storage?

Hon. Catherine McKenna: I'm not entirely sure I understand the numbers question.

If your question is "Do I support carbon capture and storage technology?", I believe it's all hands on deck. But, as your member pointed out, we need to be making sure that we're doing things in a low-cost way. That has tended to be very expensive, but it's possible.

I have said to my counterparts from China and the United States, when they have expressed interest, that I'm happy to take them there to see that technology. Hopefully, with innovation, with the investments we are making, we will be able to figure out all sorts of ways to innovate, and that's really important because that's going to create really good jobs here in Canada. In fact, the member for...

Darren, what are you the member for?

Mr. Darren Fisher: It's Dartmouth—Cole Harbour.

Hon. Catherine McKenna: Dartmouth, sorry.

I just saw their technology, CarbonCure, which is an amazing company. I saw them in California. They actually take CO2, which you don't want, from industry. They then have a process where they inject it into cement, which reduces the emissions in the process of developing the cement, and also makes stronger cement. That's the

kind of innovation that's going to create good jobs. That's what I'm very excited about because I want those technologies to be "made in Canada" technologies that we then export to create jobs.

Mr. Martin Shields: That's why I ask. How is the postponing of that \$1.25 billion going to affect those innovation pieces?

Hon. Catherine McKenna: You're talking specifically about the low-carbon economy fund. We're still committed to the \$2-billion, low-carbon economy fund. What has happened is that the fund is intended to work with provinces and territories to reduce emissions.

Mr. Martin Shields: You postponed it, though.

Hon. Catherine McKenna: It's still the whole amount if you look at the schedule. It's just over a longer period of time. This is in response to provinces and territories that have said to us that they have a program that might be longer than two years—for example, energy-efficiency in homes. They would like to be able to allocate that money and have flexibility. We felt that was a reasonable request.

Mr. Martin Shields: I got that, but a deferral means it's not available for the next three years. That's the problem.

Hon. Catherine McKenna: No, we have flexibility. It's the way, I think, it's booked. The intention was to allow provinces to say to us, "We need additional flexibility. Could you allow us...?" If they want to spend it early, that's fine. But if they want to ensure the program rolls out over five years as opposed to two, they have the flexibility to do that. That was the intention with that.

Mr. Martin Shields: Okay.

Speaking of provinces, Alberta has said that they will go to \$30 and that's it. They won't go to \$50. Their plan is to go to \$30, and the premier has been pretty specific about that in relation to supporting pipelines being built. If they stay with that, how do you encourage them to move to your target?

Hon. Catherine McKenna: In fact, the premier did make that comment before we approved two pipelines. They are committed to our climate change plan because they understand the environment and the economy go together. They are committed to going up with the national price and we certainly appreciate the support. We've worked extraordinarily closely with the Government of Alberta.

Mr. Martin Shields: Okay.

The chair of the environment committee, our great chair, was recently quoted last week in a paper saying:

In our recommendations we make it clear that there needs to be a robust consultative process before any of these things get dealt with.... To me getting it in the budget is the last step, not the first step.

Do you agree with the environment chair when she says that?

Hon. Catherine McKenna: I think we have a very brilliant chair of the environment committee, and I certainly believe in consultation. We spent the whole of last year consulting.

Mr. Martin Shields: Do you agree with her, then? The tender was withdrawn for the bike pathway from Jasper to the icefields for further study. Do you agree with that?

Hon. Catherine McKenna: I certainly am supportive that the tender was withdrawn.

Mr. Martin Shields: For further study...?

Hon. Catherine McKenna: We have a consultation process. There should not have been a tender until we finished the consultation process. I have made that extraordinarily clear to Parks Canada. I should be clear that there's been no decision made on the Jasper bike trail.

The Chair: Thank you very much.

Mr. Amos.

Mr. William Amos (Pontiac, Lib.): Thank you, Madam Chair.

Thank you, Minister, and to the senior officials here. It's a real pleasure to have you.

I would like to focus on what I see as being some good news in these estimates. When one sees an increase for Parks Canada, from 2015-16, going from \$1.36 billion up to \$1.389 billion in 2017-18, that's a solid increase. Environmental assessment going from \$29.2 million in 2015-16 to \$34 million, that's again another solid increase. Environment Canada has a slightly lesser increase.

The story I see playing out is increased expenditures by the federal government to ensure that the public interest is pursued, whether it's by Environment Canada, the Environmental Assessment Agency, or Parks Canada.

Before I ask my next question, which might be a little more challenging, do you see that as being, for the average Canadian, a good-news story that the federal government has more money invested in these key environmental agencies?

• (1620)

Hon. Catherine McKenna: I absolutely see it as a good-news story. We have a serious commitment to the environment and also to the economy. For example, on the pan-Canadian framework, we have the funding in place now so that we can actually deliver on it. When it comes to parks, your question may be about commitments on parks related to protected areas, but I think overall on our commitment there, we've demonstrated that we're absolutely committed to parks. Supporting ecological integrity is a primary goal, and the same in terms of the support to the Canadian Environmental Assessment Agency.

Mr. William Amos: Thank you.

I was specifically going to hit the parks topic because it is near and dear not only to my riding's core interest but I think to many of my colleagues here who really are quite focused on helping our country achieve more. You pointed to the Aichi process, that intergovernmental process that has been undertaken at both a provincial and federal leadership level. That's good news as far as I can see.

What I'm interested to hear is, where will the rubber hit the road with some provinces where there have been challenges in the past in achieving collaboration? The specific example I would point to would be a province that I represent, Quebec, where there have been relatively few co-operative initiatives. One can point to a few examples such as the Saguenay-St. Lawrence Marine Park, or the federal presence in Forillon and Mingan. Apart from that, there is a very limited federal presence. Traditionally, the explanation has been challenges around sovereignty, but I think we may be entering a new collaborative era.

Is Environment Canada and is Parks Canada specifically open to collaboration with the Government of Quebec to achieve joint parks?

Hon. Catherine McKenna: In terms of how we're going to approach getting to Aichi target one, it's a huge priority for me. It's in the mandate letter. I'm working very closely with Minister LeBlanc. It's absolutely key that we work with provinces. That is the only way we will be able to reach our targets.

The good news is that we have been able to collaborate well. I saw that through the pan-Canadian framework. We had a recent provincial-territorial meeting. I think we're collaborating very well. As I said, there's a working group that I'm co-chairing with the environment minister for Alberta to figure out that pathway and to also sit down not only with provinces and territories but with municipalities, with stakeholders, to figure out exactly how we're going to get to what is an ambitious target. Provinces have committed to it as well.

Maybe I'll ask Daniel if he'd like to say something.

Mr. Daniel Watson: We're working very closely with all the provinces and territories. Any opportunities for co-operation there are ones that we will take very seriously. In addition to that, we're doing some unprecedented work with indigenous governments across the country as well, which will also contribute important parts to an eventual solution on this. Defining that and shaping that has been a critical part of that agenda.

Mr. William Amos: For regions that are looking for the federal government to engage with provincial representatives, to engage with indigenous governments, is there a preferred process to initiating, for example, feasibility studies around particular areas? I think there is great excitement, particularly in my riding around western Pontiac, around the opportunities that there may be, but there's uncertainty as to how this actually gets rolling.

• (1625)

Hon. Catherine McKenna: We're always welcome to taking proposals, whether it's provinces or municipalities saying there are areas they think could be protected and they'd be happy to work on with the federal government. Also, there is a process with consultations so that we can figure out the road map. Unless we roll up our sleeves and all work together, we're just not going to be able to achieve these ambitious, critical targets. They exist not just because we agreed to them internationally, but they are also a really important part of how we're tackling climate change, how we protect species at risk.

Thank you.

The Chair: You're good. I never want you to chop but just to wrap up your thoughts.

Hon. Catherine McKenna: I'm just so scared of the chair.

The Chair: My reputation...oh dear.

Hon. Catherine McKenna: It's good. I'm done.

I'm also happy to follow up with the member to talk about his particular circumstance.

The Chair: Thank you. That was a good question and a good answer.

Mr. Eglinski.

Mr. Jim Eglinski (Yellowhead, CPC): Thank you, Minister, for being here, and thank you to your staff. It's good to see you again, Daniel.

I'm not going to get on to you about the pine beetles. We'll leave that alone.

Mr. Fisher spoke earlier about the unanimous report on conservation by this committee. I'd like to just tell you, Minister, that I think this is one of the best committees up here right now. We work very well together, and I think the reason we do is that we all have the same train of thought. We want to protect the environment and the future for our children.

I just want to compliment them in front of you because you have a great team here.

An hon. member: Hear, hear!

Mr. Jim Eglinski: All right, so much for that.

In our unanimous report on conservation, our committee recommended that Canada lead an effort to determine the capacity of Canada's natural spaces to release and sequester carbon, and to evaluate the potential for increasing the capacity to sequester carbon. What we learned is that our scientists don't actually know what role our natural environment plays in carbon sequestration, be it agriculture, our vast wetlands, oceans, or forests.

I look at my own riding of Yellowhead. We're doing an experiment right now to grow industrial hemp. We are planting 5,000 acres this first year in conjunction with the province. Some of the scientists I've been talking to in my region tell me that hemp-growing sequesters five times as much carbon as a boreal forest. Also, the pan-Canadian framework on clean growth and climate change suggests that carbon sinks are a potential means of combatting climate change.

I'm wondering, besides carbon taxing, whether your department has put any resources forward to conduct the integral scientific work that needs to be done. What is your future plan in relation to that? I think that's very important when we're looking at our overall world picture.

Hon. Catherine McKenna: Thank you very much. I do want to start by recognizing the hard work of this committee. Having two unanimous reports in the current environment—and I don't mean the physical environment, but maybe the environment over there—is a testament to how you all work very hard because you believe it is the right thing to do to protect our environment. I'm very proud of the work of this committee. I think it's a great example for other committees.

In terms of the question of carbon sequestration, you're absolutely right. Carbon sequestration is important. We need to get the accounting right. There are different ways of doing the accounting and making sure that we do it right. I don't think you could just do carbon sequestration and hope that you were going to meet your climate change targets. You still need to do things like put a price on pollution and have regulations, and also invest in innovation so we get the solutions.

I'm going to turn it over to my very able deputy, who's also a scientist, to give us some more detail.

Mr. Stephen Lucas: Thank you, Minister.

I would note that the Canadian Forest Service at Natural Resources Canada has active research. They're measuring, monitoring, and modelling forest carbon sinks, and looking at the role of natural disturbances and the subsequent regeneration. That goes to both the science and understanding for different tree species, the amount of carbon they store, and as well, understanding from an accounting perspective the role of natural disturbances.

In addition, they have initiatives in terms of increasing the use of wood in building, for example, as a means of helping the Canadian wood industry, but also for storing carbon for the longer term. Scientists and officials at Agriculture and Agri-Food Canada are working with their counterparts in Canada and internationally, looking at stored carbon in agricultural soils, contributing to the understanding in terms of land use and land use change, and working with provinces and territories in developing the next agricultural policy framework, in particular in the area of the environment.

• (1630)

Mr. Jim Eglinski: I understand that, but I asked whether you have a specific timeline or any plans to support the forest industry or other industries that are working towards that. Let's look at agriculture, especially. Agriculture accounts for 10% of our emissions and I don't see anything in your budget to support research or technology to look at better ways of sequestration.

Does your department have any plans to assist the different forestry divisions in our provinces and our agricultural sector across Canada, or are we leaving them on their own? Even industry is playing a very large role in doing the same. Are you going to play with the other partners?

Hon. Catherine McKenna: We already are. The Minister of Agriculture and I work very closely together. He's made a number of recent announcements about the role that agriculture is playing. Zero-till agriculture, climate resilient crops are part of a solution.

The minister of trade was just in China. When I was in China, I met with large real estate developers who were talking about taller wood buildings. I told them we have some wood for them. We went over there and were focused on talking to them about sustainable Canadian softwood lumber, because I think we need to be looking across files and coming up with creative solutions. I agree with you.

On the accounting piece, though, it is very important to get it right, not just in how Canada accounts for carbon sequestration and sinks but how the rest of the world does too, so that we do it in a defensible way that has the intended impact.

The Chair: You're out of time. Sorry about that.

We have our last six minutes, which Peter Fonseca and Karen Ludwig are going to share. Go ahead.

Mr. Peter Fonseca (Mississauga East—Cooksville, Lib.): Thank you, Chair.

First, let me say what an honour it is to be at this extraordinary committee, as we've heard here today, on the day that the minister, the parliamentary secretary, and the key officials are here to present. It's like hitting the lottery.

Minister, given the significance of Canada's 150th, Environment and Climate Change Canada and Parks Canada have both taken valuable steps to promote our country's ecological heritage while providing for its protection. Also important to our cultural heritage is our built heritage. Is this government considering legislation concerning built heritage in the maintenance of our commemorative integrity?

Hon. Catherine McKenna: Sometimes we don't emphasize it enough that, as part of Parks Canada's portfolio, it's not just parks and marine conservation areas but also national historic sites. It's very important, as we look at Canada's 150th, how we protect heritage sites. I have learned first-hand that when it comes to, for example, the Rideau Canal or the Central Experimental Farm in Ottawa, we can be doing more to protect very important parts of our cultural heritage. Certainly more work could be done in this area. I hope your committee might consider working on it.

Mr. Peter Fonseca: Thank you, Minister.

I did want to mention blue-skying. We've had sustainable dreams come true, when we think about how we sort our garbage and our waste, and about getting more people onto public transit, and producing more energy through wind and solar. In your blue-skying, where do you see us going down the road?

Hon. Catherine McKenna: Wow. You know what? I was just blue-skying this morning. I think we have an opportunity to reimagine how we live, work, and play, to do it in a way that is much more sustainable, a much more efficient use of our resources.

I was just in California, and it really excited me when I saw the opportunities, looking at what California is doing at the state level. I had a chance to meet with the governor. Beyond that, with the innovation that is going on in Silicon Valley, including with Canadian companies like CarbonCure, there's a huge opportunity.

Our leadership on climate change is being recognized, and this is a way we can attract investment and tackle really big problems like how we get communities off diesel, how we reimagine buildings. We need to be looking at that. We have a new building code that will be driving toward net-zero buildings. I think we can go faster, because there are jobs through investment in innovation that we can't even imagine.

That's what gets me excited. That's what keeps me up at night. It's looking at how we do things in a way that's going to attract investment in Canada, where we can be the model for the future, what the world will look like, and while we're doing it, create really good jobs.

• (1635)

Mr. Peter Fonseca: Thank you.

Karen.

Ms. Karen Ludwig (New Brunswick Southwest, Lib.): Great. Thank you, Minister, for being here. I'm pleased to join this committee just for today.

I have two questions. My first one is specific to my riding of New Brunswick Southwest. In response to my colleague Will Amos, a good example of a joint park is the international park on Campobello Island. It's jointly held and governed by the U.S. government and the Canadian government.

As a region we've talked specifically about connecting Fundy National Park through the east coast greenway all the way through to Orlando, Florida. I'm wondering if you could speak to how we could make that connection.

The second question I have is on the government's plan to protect caribou in our country.

Hon. Catherine McKenna: This is blue-skying. We're always looking at ways we can partner. We know that, whether it's on species at risk or air or water, those go across boundaries and we need to be working with the U.S. government, also with states and municipalities. We have opportunities.

I'm happy to talk to you more. I'm looking forward to a trip I'll be doing out east this summer. We can have a good chat.

In terms of the caribou, Jonathan has been working extraordinarily hard on species at risk, including caribou. I led a recent meeting with provinces and territories, but I'm going to let Jonathan talk about some of the hard work he's been doing on a very tough file.

Mr. Jonathan Wilkinson (North Vancouver, Lib.): Thank you, Minister.

As you know, there was a report in 2012 with respect to caribou that required a report in October 2017. On this file the provinces are the lead, but of course the federal government has responsibilities under the species at risk legislation to ensure that biodiversity, and in this case, the caribou herds within Canada are being put on a sustainable footing on a go-forward basis.

The minister met recently with all the ministers in Canada. Caribou was one of the topics that was discussed at some significant length. I subsequently have travelled to pretty much every relevant jurisdiction with respect to this file to meet with provincial ministers and stakeholders to discuss the work they are doing to allow us to provide a report that will discuss the status of caribou in Canada and provide realistic pathways to ensure that the herds in Canada are put on a sustainable footing. This is very much a collaborative exercise with the provinces. The provinces have the lead, as I said, but the federal government certainly has a role to play and we are expending significant time, resources, and effort to ensure that we get a good outcome in October.

Ms. Karen Ludwig: Do I have more time?

The Chair: No. I think you're 10 seconds away from the end of it.

Ms. Karen Ludwig: Thank you, thank you, and thank you. That's my 10 seconds, Chair.

The Chair: Ms. Duncan, you have three minutes.

Ms. Linda Duncan: Thank you.

I wanted to follow up on the boreal woodland caribou. It's not quite as cheery as you present, even though I appreciate your effort, Mr. Wilkinson. I didn't know that you were engaged in that, and I look forward to following up.

Of course, the minister is being sued by CPAWS. Jim Prentice was sued by the environmental organizations and the first nations, and was found to have erred in law by failing to recognize first nations rights. It is not solely the provinces that have the power. I'm stunned to hear that. The minister has a clear, binding obligation under SARA, and your government certainly has obligations under first nations right and title. Would you like to elaborate on that?

Hon. Catherine McKenna: I don't think we're diminishing our obligations under SARA but the provinces need to be providing plans about how they're going to protect the caribou. This is a tough file. We have always commented as a government that the environment and the economy go together. We need to protect species at risk and we need to have proper plans in place, but we need to do it in a way that is mindful of the economy and jobs. That's why we are taking the time. We are meeting with CPAWS. I've had many meetings with CPAWS. They have recognized that we are doing a lot of work but clearly more work needs to be done with the provinces as well as industry and other stakeholders.

Once again, I think Jonathan has done an amazing job so you can talk about this.

• (1640)

Mr. Jonathan Wilkinson: Yes.

Let me clarify. I am certainly not suggesting the federal government doesn't have a role. The reason we've been expending so much time and effort is to ensure that the provinces are moving forward and fulfilling their obligations. As you know very well, if they aren't doing that the federal government is required under SARA to get involved. There is active work.

I'm certainly not in any way diminishing the status of caribou in Canada. There are 51 herds that are subject to the report from 2012 and the vast majority are not in good condition. The work that needs to be done is developing range plans that relate to each of the specific herds and putting in place an action plan that we scientifically believe will enable the recovery of the species.

Ms. Linda Duncan: I have one last quick question.

The minister frequently speaks of the need to move to clean energy, particularly renewables, which I appreciate. I'm puzzled because nowhere in the budget of the main estimates are any dollars given to the environment minister on this. In fact, the only thing in the main estimates is the entire transfer of the fund to Mr. Bains.

I would appreciate some clarification of who in the government has the mandate and the dollars to start moving us toward a cleaner energy economy.

Hon. Catherine McKenna: There are dollars across the board. I'm less focused on who has the dollars than that we're acting. There's the \$2-billion, low-carbon economy fund where we're working with provinces and territories to reduce emissions.

Ms. Linda Duncan: Is that under you?

Hon. Catherine McKenna: Yes. That is under my responsibility with the Minister of Finance.

Ms. Linda Duncan: Even if it isn't shown in the main estimates?

Hon. Catherine McKenna: I'd like to remind the member that there are also innovative ways of financing. The infrastructure bank is a very good example of how you can match private sector funding with government support to facilitate and enhance the use of renewables.

The Chair: Thank you, Ms. Duncan.

Ms. Linda Duncan: Thank you.

The Chair: We have a little more time as you've committed to us to stay for at least an hour and a half.

I was suggesting, if you're all in agreement, that we might do one more round of five minutes each. That gets us pretty much to the top of the hour.

Ms. Linda Duncan: I'll give mine to Wayne.

The Chair: Sure.

Is everybody in agreement?

Okay. We'll start with the Liberal side. I think the Liberal side might be suggesting....

Go ahead, Mike.

Mr. Mike Bossio: Madam Chair—

Ms. Elizabeth May (Saanich—Gulf Islands, GP): Madam Chair, on the record—

The Chair: Hang on. You don't need to worry. We're looking after you, okay?

Go ahead, Mike.

Mr. Mike Bossio: Madam Chair, I was just about to say that the Liberals would be happy to pass our time along to Elizabeth May for her to ask some questions.

The Chair: We are a very accommodating committee here and we try to give everybody a chance at the table.

Ms. May, you have five minutes.

Ms. Elizabeth May: Thank you. I didn't know I'd get this off the top.

Thanks very much to all committee members. I appreciate it.

Welcome, Minister. When we're in Parliament, we have to call each other "the honourable member", while around a committee table it tends to be more informal, so it's nice to see you again, Cath, and good to see you, Jon.

Jonathan, I want to try to ask, in five minutes, some very focused things.

One is that as I read the budget, I was glad to see the money for Parks Canada, absolutely, but I spoke to the Finance Canada guys in the room when we were looking at it in the lock-up, and it looked like it was mostly or almost entirely for acquisition. It didn't flow into the day-to-day running of the department.

There were significant cuts in the 2012 budget. There were 10% cuts. That meant that Parks Canada lost all its scientific capacity in terms of people doing the research in our parks and checking on ecological integrity. I'd like to ask—if Finance Canada gave me the right information at the time—if there could be a view to increasing the operating budget of Parks Canada to ensure that there is enough staff on the ground.

Hon. Catherine McKenna: Thank you very much, Elizabeth, my swimming friend, although I haven't been swimming recently.

Look, protecting and restoring ecological integrity is the first priority for Parks Canada. We have increased the number of scientists. As you say, there were significant cuts in scientists and in science, so it's certainly a priority for our government. Included in the funding that was provided for 2017 on the experience side, we are looking at how we promote ecological integrity.

I've had a great opportunity to visit national parks on my vacation time, at my own expense—family expense—with my family, where I've seen our amazing parks folks in action. They are incredible. I think that's the best experience you could possibly have, going to look at and to track animals, which I did in Banff National Park, but I am going to ask Daniel Watson to answer, if he wants to.

• (1645)

Mr. Daniel Watson: Sure.

There are two points that I would raise in answer to your question.

In the first instance, money that comes to Parks Canada comes under a single vote, unlike in many other places where there's a division between capital and operating. Given the issues of occupational health and safety and the sorts of life-and-limb issues that accompany many of our issues related to infrastructure, such as the fortifications around the walls of Quebec City, for example, or washouts on highways, we always go in and fix those things before they kill somebody or injure someone. When you have to do that without the right amount of infrastructure money, it means that you take away from operations. In fact, while this money is labelled for infrastructure, it reduces the call on the monies we have that otherwise go to protection and effectively adds it back, in many ways, to operations. It is an absolutely critical trade-off to significantly expand our ability to fund operations.

The second point I would raise is that in 2011 there were 169 science professionals at Parks Canada. That dropped by 50 two years later, in 2013, and at that time Parks Canada was in the process of developing a plan. We've now published the first result of that plan. Today, we're back up to 150 people, despite the fact that what we're doing now is implementing that plan rather than developing it. The number of people who are today in the process of delivering on that plan is arguably even greater than it was before 2011. Again, some

of the infrastructure money that has come in will relieve pressure and that will allow us to increase some of that science capacity.

Ms. Elizabeth May: I'll move to my second question quickly, which is on the climate issue, but I have to say that I'm not entirely satisfied. I think we need to go back and restore funding to Parks Canada. I go to national parks all the time, and I see a declining capacity to handle visitors and to protect the environment.

On climate, you've referred to the targets as “ambitious”. It wasn't that long ago that I remember you describing them as the floor, and not the ceiling. The targets we have now are the same targets Stephen Harper put in place: 30% below 2005 by 2030. It isn't even arguable—it's just obvious—that the targets we, and in fairness, the world has, the NDCs collectively, fall far short of the Paris commitment.

You were in the lead on that in saying that we're going to try to hold it to a 1.5° Celsius global average temperature increase, so my question is very specific. When will your cabinet and your department consider ratcheting up our inadequate NDC?

Hon. Catherine McKenna: In fact, I'm very proud of our government, because you can have a target and not have a plan, and then it doesn't really count for anything. We actually did the hard work that was required to come up with a plan, a very comprehensive plan, that was ambitious: phasing out coal by 2030, putting a price on carbon pollution, introducing a new low-carbon fuel standard, and historic investments in public transit and green infrastructure. But as part of the Paris agreement, as you know, you need to ratchet up your commitment, and we're certainly committed to doing that with the rest of the world.

The Chair: Thank you very much.

Mr. Fast.

Hon. Ed Fast: Thank you.

I'd like to piggyback on some comments that my colleague Mr. Eglinski made earlier on natural sequestration. I was pleased to hear that there is some work going on now on the extent to which industries such as the forest industry can contribute to sequestration. Did the recent budget include any new money for that kind of research?

Hon. Catherine McKenna: I can defer to my deputy for details. When it comes to forestry issues, as you probably understand, that's not part of my portfolio—

Hon. Ed Fast: Okay.

Hon. Catherine McKenna: —so I can't speak to the budget of the Minister of Natural Resources, but I can say that obviously we are committed to this. We are looking at sequestration. Part of it is an accounting issue. Part of it is how we meet our Aichi targets. Part of it is that we have funding for looking at our building code and the taller wood buildings. Across the board, we are committed to doing this.

Hon. Ed Fast: I'll just note before we get to Mr. Lucas—and thanks for being here—that my brother was involved in the design of the 18-storey wood structure at UBC—

Hon. Catherine McKenna: Cool.

Hon. Ed Fast: —and is very familiar with how wood can be used as one component in addressing our climate change challenges.

Mr. Lucas.

Mr. Stephen Lucas: I was just going to note that forest carbon research is part of the core activity of the Canadian Forest Service, Natural Resources Canada, and indeed, Agriculture and Agri-Food Canada on the side of best practices for zero-till and, as the minister indicated, other carbon sequestering costs. There is further work under way with people across Canada in the role of wetlands, for example.

• (1650)

Hon. Ed Fast: You're not aware of any new money in the recent budget that would set that—

Mr. Stephen Lucas: I think for stored carbon in terms of wood construction at Natural Resources....

Hon. Ed Fast: All right.

Following that line of thought, when you look at forestry, at farming and low-till and no-till methods, at wetland restoration and expansion, and at grasslands and the capacity to sequester, do we know how much carbon our natural environment in Canada presently sequesters?

Hon. Catherine McKenna: As you can probably see, the short answer is no. We know that it's an important part to tackling climate change. I would just like to re-emphasize it's not the whole solution, but I—

Hon. Ed Fast: No, I agree with you.

Hon. Catherine McKenna: Through you, I congratulate your brother. Did you see the building at UBC? It's very cool.

I think we need to do more, but we can't be driving it just here in Canada. One thing that is very important in the Paris agreement process is that you have to have defensible accounting. We don't want different countries having different ways of accounting and trying to get around having very serious carbon plans, because they'll just say, "Well, we have wetlands, we have tall wood buildings, and we have zero-till agriculture." I think your point—

Hon. Ed Fast: Minister—

Hon. Catherine McKenna: Yes?

Hon. Ed Fast: My concern is that we've embarked upon a climate change plan...and kudos to you for actually coming up with a plan. We might disagree with it, but at least you came up with a plan. The problem is that you've come up with a plan but you don't yet have

that elemental information on carbon emissions that tells us exactly how much is reabsorbed back into the environment.

What we also don't know is what our capacity is to increase our natural sequestration capabilities in Canada going forward. You've already mentioned that there is research going on about how we could improve forestry practices to improve sequestration capacity. I'm a little surprised that your government would come forward with a plan when we actually don't know what the playing field is that we're playing on, because we don't know exactly how much of the carbon emissions are being reabsorbed into the environment.

Hon. Catherine McKenna: If you look at our climate change plan, where you actually have the pathway to achieve our target, we have built it in, but we are looking at how we do the proper accounting in accordance with international standards. I mean, there are lots of variables when it comes to climate change. The Arctic is melting, and it's going to release....

It is not as precise as we would like it to be. We are working very hard. I am very proud of the work of the scientists at Environment and Climate Change Canada and across government, who are working on very hard issues and pushing the envelope so that we can share this expertise internationally.

Mr. Stephen Lucas: We do actually have a comprehensive model, as part of our national emissions inventory, pertaining to stored carbon. It's work that we undertake with other departments and agencies. We just released the most recent update a week or two ago. We have comprehensive models for forest carbon that are worked on in Canada but with international partners, as the minister indicated, to fit into the development of those land use and land use change international rules, but more fundamentally to understand the behaviour of natural systems in a changing climate so we can measure, monitor, and model and then adjust policy and work with provinces and territories and others to find ways to more effectively store carbon in a natural system.

Hon. Ed Fast: Thank you.

The Chair: The last question goes to Mr. Stetski.

Welcome back.

Mr. Wayne Stetski (Kootenay—Columbia, NDP): Thank you.

Thank you, Minister, and your team for being here today. As you know, all of us around this table are advocates for parks and protected areas.

I want to make sure I understand the numbers and that we didn't get it wrong earlier, because they seem to be heading in the right direction. Was \$1.4 billion, which was an increase of \$250 million, for parks and protected areas for this year correct? Then beginning in 2018, there is an additional \$364 million over the next two years. I think that's what I read in the budget, and again that's certainly heading in the right direction.

At this point, what will that \$364 million be targeted at?

Hon. Catherine McKenna: I'll ask Daniel to answer that.

Mr. Daniel Watson: Parks Canada has approximately 18 billion dollars' worth of built assets that require about two million dollars' worth of work every day, just so we do not end up the next morning behind where we were the morning before. That money will, in a sense, end up in two places. The money itself will be used to make sure we will do the work we need to do to keep Canada's heritage from falling apart. Indirectly it will allow the additional costs that we would otherwise have incurred by letting that fall apart even further to go back into operations inside the agency for a whole range of things. Those could include science or visitor experience or all of those pieces, but the actual amount of \$364 million that was noted in the budget is specifically to protect the built heritage and assets that Parks Canada has responsibilities for.

• (1655)

Mr. Wayne Stetski: The Trans Canada Trail, and ultimately responsibility for it, is a great initiative across Canada. There's certainly room for improvement. Some areas are basically alongside a highway, and there's a long-term concern about operational dollars to maintain the trail. Is that on your radar, and whose responsibility will it fall under to make sure the Trans Canada Trail stays viable into the future?

Hon. Catherine McKenna: I was certainly proud of our government's announcement that we are investing in the Trans Canada Trail. I think for 2017 there's no better initiative than something that's going to have a very long-term legacy and that connects Canadians from coast to coast to coast. I believe 3,000 communities live within half an hour of the Trans Canada Trail. I grew up in Hamilton, as some of you may know, and I would go running around what is now the Trans Canada Trail. Just below Parliament is another part of the Trans Canada Trail.

The Trans Canada Trail is an independent organization. We as a government have supported it. We've made a new announcement of funding. Certainly it is looking at what its long-term plan should be, including support from the private sector. But, really, it's an organization we've supported. We've stepped up because we think it's very important.

Mr. Wayne Stetski: Okay.

Do you anticipate, though, a role for the federal government in the future? I know it's private, but right across Canada, and certainly in my riding, the concern I hear is about who is going to maintain this after 2017.

Hon. Catherine McKenna: I think it's really up to the Trans Canada Trail to come up with a plan. It came in and we had a good discussion. We made a significant announcement in 2017, and we're very supportive of the Trans Canada Trail.

Mr. Wayne Stetski: With regard to national parks in British Columbia, when you think of British Columbia and you think of new national parks, how are we doing with South Okanagan in particular, and then, of course, potentially, the Flathead, which keeps coming up every once in a while as well?

Hon. Catherine McKenna: I think I should pass it on to Jonathan, given that he's from British Columbia. I think we've had some positive indications on South Okanagan. I'm always very hopeful that we can work with the provinces and territories. I think Flathead would be incredible. We continue to have discussions.

There are opportunities, but unfortunately we don't do this alone. We have to work with the provinces. We work with indigenous peoples.

Jonathan.

Mr. Jonathan Wilkinson: The only thing I would add, and then Daniel may want to add something, is that I think perhaps we're a bit more optimistic on the South Okanagan on a go-forward basis. I think the stumbling block in the past has been an inability to get to an agreement between the federal government and the province. The province seems to be a little bit more interested in this, so hopefully we'll be able to think about how we actually move this forward.

Mr. Daniel Watson: Of course, putting together a national park involves the interests of a whole host of players—provinces, as raised earlier by a previous member, and indigenous groups—but there has been interest in this one for a long time. It has grown a bit recently. Parks Canada remains very interested in talking with any parties who want to continue those conversations.

The Chair: Minister, Jonathan, and your team, thank you very much. It has been an excellent session. It's really nice that you gave as much time as you did to allow everybody at the table the chance to ask questions.

I just want to say that some really nice things were said about me today, but it really isn't about the chair. It is about the team. All the members in this committee have been amazing, wanting to work together co-operatively and collaboratively to try to find solutions we can bring forward to the government. Everyone is very passionate. It's a real privilege to be the chair of this committee.

I'm really looking forward to our next report. We'll see how we do in terms of its being collaborative, but we're working hard on it.

Thanks again. I'll end the meeting at this point. I understand that you would like to maybe take some pictures.

• (1700)

Hon. Catherine McKenna: I'd just like to thank the amazing public servants I have the opportunity to work with every day. You know, I'm one person, but there's a whole team. Jonathan is integral as my parliamentary secretary, doing an incredible job. You can see the leadership and also the hard-working public servants who every day work hard in all their files to protect the environment.

The Chair: Thank you.

I'm now going to suspend.

[*Proceedings continue in camera*]

• (1700)

(Pause)

• (1725)

[*Public proceedings resume*]

The Chair: We are now back in open session and we are looking at the main estimates.

CANADIAN ENVIRONMENTAL ASSESSMENT AGENCY

Vote 1—Program expenditures.....\$30,640,824

(Vote 1 agreed to on division)

DEPARTMENT OF THE ENVIRONMENT

Vote 1—Operating expenditures.....\$700,976,667

Vote 5—Capital expenditures.....\$82,361,087

Vote 10—Grants and contributions.....\$119,785,748

(Votes 1, 5, and 10 agreed to on division)

PARKS CANADA AGENCY

Vote 1—Program expenditures.....\$1,258,090,149

Vote 5—Payments to the New Parks and Historic Sites Account.....\$500,000

(Votes 1 and 5 agreed to on division)

The Chair: Shall I report the main estimates 2017-18 to the House?

Some hon. members: Agreed.

The Chair: That is the end of our meeting.

Thank you so much for your patience and for doing the details at the end.

The meeting is adjourned.

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