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Chair: Mrs. Sherry Romanado



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• (1105)

[English]

The Chair (Mrs. Sherry Romanado (Longueuil—Charles-LeMoine, Lib.)): I call this meeting to order. Welcome to meeting number 37 of the House of Commons Standing Committee on Industry, Science and Technology.

Today's meeting is taking place in a hybrid format pursuant to the House order of January 25, 2021. The proceedings will be made available via the House of Commons website.

So that you are aware, the webcast will always show the person speaking rather than the entirety of the committee.

To ensure an orderly meeting, I will outline a few rules to follow. Members and witnesses may speak in the official language of their choice. Interpretation services are available for this meeting. You have the choice at the bottom of your screen of “floor”, “English” or “French”. Please select your preference now.

As a reminder, all comments by members and witnesses should be addressed through the chair. Before speaking, please wait until I recognize you by name. When you are not speaking, please make sure that your microphone is on mute.

As is my normal practice, I will hold up a yellow card when you have 30 seconds left in your intervention and I will hold up a red card when your time for questions has expired. Please keep your screen in gallery view so that you see the cards when I hold them up.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on November 5, 2020, the House of Commons Standing Committee on Industry, Science and Technology is meeting today to continue its study on the economic recovery from COVID-19.

I'll now welcome our witnesses.

From AddÉnergie Technologies Inc., we have Mr. Travis Allan, vice-president of public affairs and general counsel. From Advanced Building Innovation Company, we have Mr. Frank Cairo, who is the chief executive officer and co-founder. From Canadians for Affordable Energy, we have the Honourable Dan McTeague, president.

[Translation]

From the Canadian Union of Postal Workers, we welcome Jean-Philippe Grenier, 3rd National Vice-President, and Hugo Charette, Campaign Coordinator, Metropolitan Montreal Region.

From the Climate Action Network Canada, we welcome Lauren Latour, Coordinator, Climate Ambition, and Caroline Brouillette, Policy Analyst.

Finally, from Keurig Dr Pepper Canada, we have with us Marie-Anne Champoux-Guimond, Manager, Sustainability, and Cynthia Shanks, Director, Sustainability and Communications.

[English]

Each witness will present for up to five minutes, followed by rounds of questions.

With that, we will begin with Mr. Frank Cairo.

You have the floor for five minutes.

Mr. Frank Cairo (Chief Executive Officer and Co-Founder, Advanced Building Innovation Company): Members of committee and Madam Chair, I thank everyone for having me here today and obviously for the attention being paid to such an important issue.

I sent a presentation. If it could be presented on the screen, I'll speak to the slides.

The Chair: Unfortunately, Mr. Cairo, we cannot present it on the screen, but once we have an opportunity to have the slides in both official languages, they'll be circulated to the committee.

Mr. Frank Cairo: That's fair enough.

The Advanced Building Innovation Company, which I co-founded with my business partner Troy van Haastrecht, is a venture that has set out with nothing less than the mission and the vision of a full reform of the homebuilding sector. We are a land development company and a homebuilding company. We founded the Advanced Building Innovation Company to make some changes to the way new homes are built and land is developed.

Our main focus relates to the implementation of a home system and component manufacturing, robotics and automation, including integration of data, data science, machine intelligence—I'll use the coined words—artificial intelligence and machine learning.

We have a software division that's focused on the proliferation and innovation of generative design technologies, optimization and combinatorics. For anyone who is interested in those sectors, we can talk further. I would say that's a big part of our business, as well as research and development related to the homebuilding space.

In particular, today I'll talk about two main things. The first is that we are building one of the largest home and advanced manufacturing centres in Canada here in Ottawa. It's actually at the periphery of the honourable Pierre Poilievre's riding. In particular, the centre is going to showcase the latest in advanced robotics and software innovation to dramatically improve not only the energy performance, but also the quality, affordability and construction timelines for new home product in this region and also outside of this region.

We see our facility as really, at the end of the day, the genesis of a reform to our industry from fairly rudimentary practices, historically, to really embracing the latest of full ship-to-shore, cyber-physical manufacturing systems. We are not only researching and developing our own robotic technologies, but we're also looking at innovative ways on site to assemble these manufactured home products using robotics, machine learning and artificial intelligence to simplify the logistics around supply chains, the materials and the material waste that comes from new home construction. In particular, we're using software innovation to dramatically change the way homes are being designed.

What's possible now, using some of the software innovations we've been working on, dramatically changes the extent of the materials that are required for a new home and how that new home performs for the end consumer. Most importantly, it also addresses aspects of affordability.

These are all big bucket topics that I can focus on in more detail if anyone is interested. The presentation's slide deck shows images of some things that we're doing and some of the areas that we hope to address in our sector.

In our software development group, we're also innovating in other sectors. Some of our optimization and mathematical approaches to optimization are now being embraced by other sectors, which we can talk about, to minimize waste, improve efficiency and to make use of the valuable resources that go into product delivery across several sectors.

We see not only this region here in Ottawa as an important economic hub for this future sector, but we also see Ontario and Canada being well positioned as a leader in this space. We hope that export potential into the United States, for example, is something that we can take advantage of.

The big ticket issue and the big elephant in the room today obviously is commodity pricing—the cost of lumber and wood products. Housing affordability is influenced by many factors, the cost of land, the limited land supply, inflationary pressures with monetary policy, but also the dramatic change and inflation we're seeing around the goods and commodities that go into new homes. I would strongly urge anyone who's listening and would like to make a difference to think about lumber as we would any other product, like

petroleum and others. It's an essential part of our economy and needs to be carefully considered.

That being said, we are not a supporter of broad government support for business. We feel business needs to stand on its own two feet. We do, though, believe that....

My time's up. I apologize for that.

Thank you.

• (1110)

The Chair: Thank you very much, Mr. Cairo. I'll let you know that your presentation was circulated to the members this morning.

Thank you.

We will now go to Mr. McTeague.

You have the floor for five minutes.

Hon. Dan McTeague (President, Canadians for Affordable Energy): Thank you, Ms. Romanado.

What a pleasure it is to be back after 10 years. I wonder if you all missed me.

To all of my colleagues and guests who are here today as witnesses, thank you for presenting. I look forward to the questions that you may have. We may differ on some ideas, but it's really good to be back. Thanks for inviting me.

[*Translation*]

First, let me thank you for the opportunity to speak to this committee today.

I am here in my capacity as President of Canadians for Affordable Energy. We are a not for profit organization, with almost 200,000 supporters following us on a variety of social media channels and email. That following is growing by the day, as more and more Canadians become alarmed at what is happening on energy prices.

[*English*]

I will try to go back and forth in French and English, so I hope I don't lose the interpreters in the process. I know sometimes it can be a bit of a challenge technologically.

Our focus is simple. Affordable energy has to be and needs to remain our foundational effect on the well-being of Canadians. Keeping energy affordable requires constant attention, as there needs to be a steady push back against policy pitfalls that appear to threaten it.

COVID-19 and the lockdowns imposed because of it have had a huge—I can't underestimate and underemphasize that—economic impact on Canadians. Massive amounts of public dollars are being spent to soften the pain of that impact. Governments are using, unfortunately, the excuse of COVID-19 to spend even more, causing massive debt in our country. Our children and our grandchildren will have to pay for that, and this, of course, accumulates at an unprecedented degree.

An economic hit from an epidemic, of course, is to be expected. What is not expected is the piling on of more debt and wasteful spending under the guise of a response when, in fact, it's spending aimed at redesigning the economy in the image of the government's ideological bias.

• (1115)

[Translation]

The build back campaign of this Liberal government—and I say this as a former MP of more than 17 years standing in the Liberal Party—is all about that ideological bias. It is a radical green agenda that is trying to deconstruct the fundamental elements of our extraordinary country.

[English]

The people who will be hurt are ordinary Canadians in the millions. How? First will be through a carbon tax that is now set to go to \$170 a tonne within a decade, adding thousands to every family's annual costs, of which only a portion will flow back to those in terms of rebates.

Second, it will be through the clean fuel standard that, despite claims of this government, amounts to a second carbon tax for the consumer, as it will drive the price of energy up. Third will be—I don't want to take away from Mr. Cairo—through building code changes that will make expensive housing even more unaffordable.

The question is: What if you can't have an affordable furnace in your home? What if you're required to meet a new building standard that dramatically raises the cost of basic energy services? This, in fact, is what is coming to us. It is obviously a building code campaign that I refer to as a third carbon tax.

Fourth, through huge outlays of taxpayers' hard-earned dollars on a variety of government programs that amount to picking favourites in fuels and technology, there are programs like electric bus subsidies and biofuel subsidies. These and other government actions are massive expenditures that will not expedite recovery. Some government spending will provide a temporary boost, but that will have the net effect of enriching a handful of those who have placed themselves strategically close to the government and, of course, decision-makers.

Think of renewable companies pushing how green and economic they are when you know full well that they can't survive without public dollars. Think of countless other companies that will pile on trying to find some way to access public subsidies to get their piece of the largesse. Think of hedge funds. Think of banks and lending institutions. Think here of the financial industry investors who are riding the green wave to create investment opportunities while virtue signalling with their rhetoric about how we need to act.

Our energy system is one of the most robust in the world. I think there is no debate on that. We are blessed with extraordinary fuels, technologies and human know-how, but we are now under the spell of those who say, "It needs to change, and we definitely know what's best."

I see my time is up, but I want to point out that it's time to stop interfering with the economy. It's time to look at technology, not taxes.

The Chair: Thank you very much.

We will now go to the next witness.

[Translation]

—the Canadian Union of Postal Worker. Gentlemen, the floor is yours for five minutes.

Mr. Jean-Philippe Grenier (3rd National Vice-President, Canadian Union of Postal Workers): Thank you, Madam Chair.

I would first like to thank the members of the Standing Committee on Industry, Science and Technology for inviting us to be part of your work on the green economic recovery following COVID-19.

My name is Jean-Philippe Grenier and I am the 3rd National Vice-President of the Canadian Union of Postal Workers. I am accompanied by my colleague Hugo Charette, who is the Campaign Coordinator, Metropolitan Montreal Region.

We are here today to talk to you about our campaign called Delivering Community Power, which the union has been conducting since 2016. This is the postal workers' plan both to fight climate change and to provide new services at post offices. Using recovery principles, we have blended the environmental concerns with the new services that we could provide at post offices all over the country.

For your work, we want to talk to you about two aspects of the project of which we are particularly fond: the electrification of Canada Post's fleet of vehicles and the establishment of a network of public charging stations at Canada Post facilities. I want to focus on these two aspects. I also invite you to seek information on our overall campaign, because it contains a multitude of other components.

Like many others in the transportation and logistics industry, Canada Post is a major emitter of greenhouse gases. Canada Post makes deliveries to many diverse locations, but even more significant is the fact that it has the largest fleet of vehicles in Canada. We have 20,000 vehicles in total, about 13,000 of which belong directly to the Crown corporation. The remaining 7,000 are used by Canada Post employees in rural areas. The latter are, in effect, using their own vehicles to deliver parcels and mail.

For years, we have been urging the employer to electrify its transportation. Its response is that it is currently transforming the fleet of vehicles by replacing, with hybrid and electric models, the traditional delivery vehicles that are at the end of their useful life. The costs of doing so are not really any higher.

That is the employer's position, but, actually, despite the current consensus on electrifying transportation, Canada Post is still opting for hybrid technology. I often entertain myself by saying that, as a Crown corporation, we prefer to stick with an old technology, hybrid technology, while the need is to start adopting new ones. Some hybrid vehicles we have on the roads are not rechargeable. So no energy is recovered. Other hybrid vehicles are rechargeable, but there are no electric vehicle charging stations at Canada Post facilities.

Our plan is to install electric vehicle charging stations across the entire country. Canada has about 6,100 post offices. The recharging stations could be a win-win situation, both for Canada Post customers who could use them when they go to the post office, and for corporation employees, given that the fleet of electric vehicles could be recharged at night.

Quite recently—in 2018, if I am not mistaken—we asked Queen's University to conduct a study in the Maritime provinces: New Brunswick, Nova Scotia and Prince Edward Island. The study was about implementing a secondary network using existing infrastructures. I invite you to take a look at it. My colleague Mr. Charette will distribute it to the committee members. The study established that electric vehicle charging stations are generally deployed in a primary network that follows major arteries. But in rural areas, gaps exist. Post offices could play a very important role.

Currently, Canada Post has a plan to install nine electric vehicle charging stations in the whole country, whereas 6,100 locations are possible. We regret the fact that Canada Post went to an American company for the charging stations, when we have companies such as AddÉnergie.

I will now give the floor to my colleague, Mr. Charette.

• (1120)

Mr. Hugo Charette (Campaign Coordinator, Metropolitan Montreal Region, Canadian Union of Postal Workers): In terms of societal change, 2030 and 2050 are like tomorrow morning. The government has the opportunity to show its leadership by strongly pointing out the right direction. The union of postal workers, with our 55,000 members, is here to be part of that initiative. We want to be part of the solution and we support a green economic recovery, a just recovery.

The Chair: Thank you very much.

[English]

We'll now go to Réseau action climat Canada.

[Translation]

Ms. Brouillette and Ms. Latour, you have the floor for five minutes.

Ms. Caroline Brouillette (Policy Analyst, Climate Action Network Canada): Thank you very much, Madam Chair.

Good morning, ladies and gentlemen.

We thank you for having us appear before the committee. I join you this morning from unceded Kanien'kehá:ka lands, better known as Montreal. I will be sharing my time with my colleague Lauren Latour, the climate ambition coordinator for the network.

Climate Action Network Canada is the only network in the country that brings more than 130 labour, faith-based, indigenous and development groups together with Canada's leading environmental organizations, all of whom are working together on climate change.

The past year has taught us a lot about the vulnerability of the Canadian economy. The global health crisis and its devastating consequences place us at an historic crossroads. Will we seize this moment to build back better, through a just and green recovery that will make us more resilient to future crises, including climate, economic inequality and racism? Or will we redouble our efforts to promote the status quo?

The challenge and urgency you and your colleagues must face as lawmakers require government to take action on the economy in ambitious ways that are different from what we are all accustomed to.

Canada is the only G7 country whose emissions have increased since 1990. To contribute to the global effort to contain the temperature increase to 1.5 degrees Celsius, Canada must become massively involved in the economy. This will require more than simple incentives and voluntary programs for consumers and businesses. The magnitude of the challenge requires us to take a revolutionary, moonshot approach, much like the transformation of the Canadian economy during the Second World War, the space race, or, more recently and fresh in our memories, the global effort to rapidly develop and distribute COVID-19 vaccines.

As a first step, this will therefore require that the government adopt a regulatory approach with clear timelines, particularly in the only two Canadian sectors where greenhouse gas emissions are still on the rise: the oil and gas sector and transportation. This was pointed out by previous witnesses. For example, in the transportation sector, we have important work to do in land use planning and public transit. However, we also need to go beyond incentives for the purchase of zero-emissions vehicles and implement a national mandate that will require auto retailers to gradually increase the sales of electric vehicles to 100% of new vehicles by 2035. Quebec is doing it. It will ensure that we have assembly lines and supply chains in this crucial sector of the automotive industry in Canada.

As a second step, we must scale up climate investments. Many experts estimate that we should spend 1% to 2% of GDP per year, the equivalent of \$20 billion to \$40 billion, to decarbonize the economy. By way of comparison, the Canadian Centre for Policy Alternatives estimates that the amount committed to climate spending in April's budget is more like 0.25% of Canada's GDP. Yet that budget featured historic and unprecedented investments in climate.

My colleague Lauren Latour will now speak to you about the scope of these investments.

• (1125)

[English]

Ms. Lauren Latour (Coordinator, Climate Ambition, Climate Action Network Canada): Good morning to all. To begin, I'll echo my colleague Ms. Brouillette's thanks for the opportunity to address the committee.

We in Canada have a highly knowledgeable, well-skilled workforce capable of building the technologies that will usher us into carbon neutrality. To do this, we need to channel public investment towards real solutions and support workers in communities in order to make these technological shifts at the scale required.

This means, first, that green strings should be attached to all public investments. Financial support to industry must be predicated on conditions that result in a transition to zero emissions, and condition support to emissions intensive sectors on either actions being taken to significantly reduce emissions, or acceptance of regulatory changes that will drive such a reduction.

Second, we are in the midst of an intimidating global economic shift, driven not only by COVID-19 but also automation and competition, and exacerbated by the climate crisis.

A just transition requires decision-makers like yourselves to ensure that when industries and jobs are phased out in the coming years, the burdens of adjusting to these societal changes are not shouldered unfairly by affected workers and communities.

The federal government has recently reaffirmed its commitment to the implementation of a just transition act, legislation essential to the sweeping intervention in the Canadian economy described by my colleague.

Many jurisdictions have adopted policies supporting a managed decline of the fossil fuel industry. Denmark, for instance, will stop issuing new licences for oil and gas exploration, phasing out fossil fuels by 2050. California Governor Gavin Newsom has announced taking action to phase out fossil fuel extraction.

Just transition is a foundational principle, recognized by the International Labour Organization and embedded in the Paris Agreement. I'll take a moment to highlight one of Climate Action Network Canada member organization Unifor's seven asks of government related to the formation of a just transition act for Canada, which advocates for the promotion—

The Chair: Madam Latour, my apologies, but you're over time. If you could conclude, we'll go to the next speaker.

Ms. Lauren Latour: Yes, absolutely.

To conclude, we urge committee members to seize the opportunity to have decision-makers play an integral role in pushing for bold and ambitious policy. On behalf of myself and Caroline, we appreciate the time today.

Thank you so much.

The Chair: Thank you so much.

We will now go to Keurig Dr Pepper Canada.

You have five minutes.

[Translation]

Ms. Cynthia Shanks (Director, Sustainability and Communications, Keurig Dr Pepper Canada): Good morning, ladies and gentlemen.

On behalf of Keurig Dr Pepper Canada, KDP, thank you for the opportunity to briefly outline our approach to sustainability. In our view, this approach is consistent with the committee's motion and its desire to support industries in their transition to more sustainable practices as part of a green economic recovery.

Our company is focused on achieving concrete goals and sustainability. Eco-design and the circular economy are central to our business strategy. Over the past few years, our company has reached several major sustainability milestones in Canada. Here are some examples.

We converted all K-Cup pods to recyclable format in 2018 and did the same with Mott's Fruitsations cups. As of 2018, our Montreal facility no longer sends any residual material to landfill. We now incorporate post-consumer recycled plastic into two of our signature coffeemakers. This large-scale initiative, in cooperation with a Canadian plastic processor, is contributing to the development of a local circular economy.

Since 2020, our use of recycled plastic in the K-Mini line of coffeemakers has enabled us to reduce our use of virgin plastic by one million pounds, and that's just the beginning. In the coming months, we will be using bottles made entirely of recycled polyethylene terephthalate, PET, for some of our flagship brands of cold drinks.

The current pandemic has had a significant impact on our economy and is forcing us to reinvent ourselves to plan a recovery that will allow us to emerge stronger. We truly believe that this is an opportunity to rethink our ways of doing business to make them more sustainable, and the circular economy seems to us to be the way forward to help maximize the environmental and economic benefits of this recovery. It's a vision that we apply horizontally across our organization.

Let me add a few more details about our circular economy goals. By the end of 2025, KDP wants to make our packaging fully recyclable or compostable and to use 30% post-consumer recycled materials in all our packaging.

Ultimately, we wish to incorporate as much recycled material as possible into all of our products, including our coffeemakers, pods, PET bottles, aluminum cans and all of our cartons. We're also working to develop sustainable alternatives to can rings to help the Government of Canada meet its plastic waste reduction targets. However, this work takes time and resources, and we want to ensure that we choose a solution that is sustainable in the long term and truly beneficial by considering all potential environmental impacts, including greenhouse gas emissions.

Our experience in this area has shown us that finding truly sustainable solutions relies on cooperation. For example, Keurig Dr Pepper is a founding member of the Circular Plastics Taskforce. This coalition of Canadian companies aims to optimize plastics recycling to build a circular economy in this country using a reverse engineering concept. The goal is to create better alignment between the recovery and recycling value chain and end markets for recycled resins.

In January of this year, Keurig also became a founding signatory of the Canada Plastics Pact, and we pledge to contribute to collective efforts to achieve the pact's four ambitious goals.

Engagement in our community is also integral to our approach to sustainability. Since the start of the pandemic, we have seen increased opportunities to support frontline workers and food banks across the country. Our roots have been in the Saint-Michel community in Montreal for decades; we have always cared about the well-being of the neighbourhood and its residents. That is why we are proud to be part of the vaccination effort against COVID-19 in our borough, alongside recognized partners and public health. Our vaccination hub will therefore open at the end of May in a neighbourhood that has been particularly affected and vulnerable since the pandemic began.

As for our other sustainability commitments, I could say how important it is for Canadians to buy products that come from responsible sources, as is the case for all the coffee we buy around the world. I could also tell you about our greenhouse gas reduction targets, which are science-based, and many other initiatives to support Canadians and engage our employees.

• (1130)

[English]

In conclusion, I would like to reiterate our willingness and commitment to continue partnering with the Government of Canada as it strives to achieve its current and long-term sustainability goals. We strongly believe in the collaboration efforts between the government, our industry and consumers to create a circular economy.

[Translation]

I thank you for your attention.

I would be happy to answer any questions you may have.

[English]

Thank you for your time.

[Translation]

The Chair: Thank you very much.

[English]

We will now go to Mr. Travis Allan from AddÉnergie.

Welcome to INDU, sir. You have the floor for five minutes.

[Translation]

Mr. Travis Allan (Vice-President, Public Affairs and General Counsel, AddÉnergie Technologies Inc.): Good morning, everyone.

Madam Chair, members of the committee, thank you for the opportunity to participate in your study on the economic recovery from the COVID-19 pandemic.

[English]

I would also like to say thanks to the folks who helped me figure out my technical problems and to you for your patience.

I work at a company called AddÉnergie, which was founded by our CEO in 2009 in Quebec City. It was actually built out of his master's project, so this is a real example of the commercialization of academic work. Over the last decade, our company has grown to more than 200 employees. Our Shawinigan plant has built over 40,000 charging stations that have been distributed across North America. We have a network operations centre and R and D lab in Quebec City and also in Montreal.

While we are a very proud Quebec company, we are expanding rapidly. We have deployed stations all across Canada up to the Yukon, as well as in the United States. We've done custom-mounted curbside stations in Los Angeles. We just announced this morning that we're deploying over 100 stations in New York City and also in the Midwest. We're also a proud Canadian company with a heavily Canadian supply chain, with approximately 85% of expenses paid to Canadian suppliers.

COVID for our industry had a significant effect. It did lead to a drop in demand, as companies limited their capital expenditures while they were trying to make sure they weren't spending too much money on things that could be avoided and were planning out the global economic response to COVID, but it is bouncing back. To give you an example from our company, we're bigger than when the pandemic started. We're investing in expanding our Quebec production facilities. We're also looking at a new U.S. plant to try to help serve that market.

As we emerge from this crisis, I think there are some really important questions that all of us need to be asking and that Canadians are asking themselves. The first one is how we make the most of the opportunity to refocus our economy, and how we set ourselves to succeed in the new net-zero world we are working towards.

In our area, which broadly defined is the transportation sector, Canadians are going back to work. That means the transportation emissions for those who drive personal vehicles will rise again. We know that Canada has new ambitious climate targets, including a reduction of 40% to 45% by 2030. Our allies in the United States have set the target of a 50% to 52% reduction over the same time period.

The answer is that if we're going to meet those climate targets, what needs to happen to the transportation sector is a full-scale reduction in those emissions. Transportation creates the second-most emissions in Canada, and it's growing. If we want to actually get to our targets without taking all of the impact out on other sectors like the oil and gas industry, we need to figure out how to deal with transportation emissions. That's why Canada and other countries are investing in charging stations and vehicle incentives. In the United States, President Biden has announced a \$500,000 charging station investment to be deployed to that end.

So this is happening, but frankly, it's beyond Canada. It's happening in Europe and it's happening in Asia. This is the direction the transportation sector is going. The more specific question for Canadians is what role we want Canada to play, and what role Canadians can play in terms of jobs.

In our area, we see jobs for automotive technicians, electricians, engineers and miners because of batteries, of course. Canada has many of the resources needed for batteries. Then there are the other construction professionals who all benefit from zero-emissions vehicles—in production, the battery supply chain, the charging stations and the energy that powers them. In our little space, charging infrastructure is essential. Canadians are not likely to adopt electric vehicles if they can't see charging stations. We find that over 50% of the total cost of charging stations actually goes to local contractors who install the stations and also for the electrical power that goes to them. It's a really great opportunity for job growth.

• (1135)

We think that Canada can and should lead there. How do we get there? There's a bunch of policies that can help us achieve this. We can also work on government procurement, because Canada is such a major purchaser of vehicles and charging stations.

I'll just sum up by saying that I'm very pleased the committee is looking at these items. We really think that electrified transportation can be a big part of the solution here.

Thank you.

The Chair: Thank you very much, Mr. Allan. It's a pleasure to see you again. You presented at the Canada-U.S. committee last week.

Full disclosure, I am still a client.

We will start our round of questions. Our first six-minute round will go to MP Poilievre.

You have the floor.

• (1140)

Hon. Pierre Poilievre (Carleton, CPC): Thank you.

My lead question goes to the Honourable Dan McTeague.

Mr. McTeague, here in Ontario the government, roughly 10 years ago, promised that we would create a brand new industry of wind power and solar panels to replace traditional sources of energy. To do that, they created something called the feed-in tariff, which paid the wholesale vendors of this electricity 90¢ a kilowatt hour for solar and 20¢ a kilowatt hour for wind, even though the market price for electricity in the province was about 3¢ or 4¢. In other words, we were paying about 20 times what the electricity was worth.

Now, as a result of locking in these exorbitant contracts for 25 years, the average Ontarian opens their power bill and finds that about 75% of it is not for electricity at all. It's for what's called the global adjustment, which is the subsidy we're paying for wind and solar. What have been the consequences of that?

One, we've doubled electricity prices in Ontario.

Two, we have driven people into poverty. According to the Ontario Association of Food Banks, there is something in Ontario called energy poverty, whereby people are walking in and asking for food because they can't afford to feed themselves and pay the newly doubled electricity rates.

Three, it has increased emissions, because instead of relying on zero-emission nuclear and hydro, we have ended up having to bring in more natural gas-powered electricity in order to provide base load for the intermittence of wind and solar.

Finally, we have driven many of our manufacturing jobs out of the province, because, frankly, companies can't afford to compete by running their factories on electricity that is among the highest cost in North America.

Mr. McTeague, you are a former Liberal MP. Do you worry that the monstrous new subsidies that the current government and a whole series of activists and self-serving corporate interests are advocating for will similarly harm the environment, drive up poverty and increase inequality?

Hon. Dan McTeague: That's a very good question. There's a lot to consider there.

I recall sitting with a former colleague of all of you, my good friend whom I introduced to the Liberal Party many years ago, Arnold Chan, when he worked for the province. He pulled me aside, ironically, at a little bistro on Yonge and Sheppard, I think in Mr. Ehsassi's riding, to suggest that the green project, the Green Energy Act, was going to leave a devastating impact on Ontarians. Ten years later, he's correct.

Of course, I look at my bill, at 5.7¢ or 5.8¢ a kilowatt hour, moving to 17¢ a kilowatt hour. These are massive increases in the cost for pretty much everyone—not just for manufacturing, as you have pointed out, but for consumers. Let's not forget that a \$6.5-billion debt for the province of Ontario is also being incurred each and every year in order to, as it were, cushion the effect of these increases.

If you want an example of how not to go about pushing green energy, the Ontario model, from which many of my colleagues in the House now have really derived their push on energy, this is definitely not a model to follow.

What concerns me about all this, though, is that there is very little discussion about the fact that Canadians are seeing ever-increasing levels of costs—the cost of living and the material effect it is having on their bottom line. Is it any wonder, Mr. Poilievre, that we see MNP, insolvency trustees, coming out saying that 53% of Canadians are less than \$200 away from bankruptcy?

While we talk about all these wonderful ideas about how we want to convert the rest of the world, while we are dealing with a veritable crisis—a health crisis, not a climate crisis—why are we talking about something that is completely irrelevant and perhaps devastating to the economy as a whole, at a time during which we should be rewarding and working hard to get our energy sector back up and running?

We have a great record. I was a member of Parliament for a riding [*Technical difficulty—Editor*] invented clean energy. Fifty years before that, we had the Adam Beck hydroelectric projects.

We have produced clean energy. We should continue down that road and emphasize technology as it comes forward [*Technical difficulty—Editor*] and not taxes that burden the Canadian economy at a time that is extremely sensitive for most Canadians.

• (1145)

[*Translation*]

Mr. Sébastien Lemire (Abitibi—Témiscamingue, BQ): Madam Chair, the sound is cutting out and we no longer have interpretation.

[*English*]

The Chair: Mr. McTeague, it looks like your Internet connection is lagging.

Hon. Dan McTeague: The Internet is down.

The Chair: I just paused the clock. Give us 10 seconds. I want to see if we're able to hear you, because translation cannot pick up your sound.

If you can go back about 20 seconds, we will start the clock.

Hon. Dan McTeague: Thank you.

Technology is still eluding me, but not the ideas behind the green energy. It's a wonderful thought, but it has to take a second place, a second seat—and a back seat, I think—in regard to the costs at a time when Canadians are not able to make ends meet. As the MNP has quite readily pointed out, 53% of Canadians are now in a situation where they are less than \$200 away from going bankrupt. I think these are very sobering numbers. We should take those into consideration first.

Hon. Pierre Poilievre: According to the Ontario Auditor General, the Ontario Green Energy Act is going to lead to overpayments for electricity amounting to about \$130 billion over three decades. That's enough to fund Ontario's health care system for almost two years.

That is the real consequence of these schemes and, of course, it is a monstrous wealth transfer from the working poor to the super-rich, who have gotten all of these sweetheart deals from the government.

Let's keep these facts in mind before we sign up to these massive new interventions that will, as always, favour the rich, punish the poor, and do little for the environment.

The Chair: Thank you very much, MP Poilievre.

We will now go to MP Lambropoulos.

You have six minutes.

Ms. Emmanuella Lambropoulos (Saint-Laurent, Lib.): Thank you, Madam Chair.

I would like to thank all of our witnesses.

[*Translation*]

I'd like to give special thanks to Ms. Brouillette and Ms. Latour.

I found their speeches to be very much aligned with my thoughts.

I'd like to give Ms. Latour the opportunity to finish what she had to say in her testimony to ensure that her recommendations are heard.

[*English*]

Ms. Lauren Latour: I really appreciate that. Thank you so much. I was a moment away from finishing when I wrapped up.

What we wanted to add was referencing our friends and our member organization Unifor, which is one of the largest private sector unions across the country, representing millions of labourers in thousands of communities.

They published seven asks of the Canadian government for a just transition in Canada, and one of them really speaks to us and speaks to the main point that we're hoping to get across to the committee today. The point they advocate for is the promotion of green economy retraining and skills upgrading.

Why that's so pertinent to the committee today, I think, is that this recommendation really emphasizes the dire need for our nation to view investments in science and technology as investments in people and communities, and to understand that if we're going to be the leader in science, technology and innovation the way I know we all hope we will be going into this next integral decade in climate action, that means we really need to invest in skills upgrading and skills retraining for labourers in communities across the country.

Thanks again so much for that opportunity to finish that point.

Ms. Emmanuella Lambropoulos: No problem. Thank you so much for being with us today and for giving us these recommendations.

My next question goes to Madam Shanks.

[*Translation*]

Ms. Shanks, you are a director at a company in Montreal. I must say that I really enjoyed your testimony.

It's very important that you talk about circular plastics and recycling plastics. It's a step in the right direction, and it's something that can be fixed. As we know, it also depends a great deal on people. The company can recycle to a certain extent, but it means nothing if people don't recycle in the right way.

How can the government make recycling a little easier for people and encourage them to recycle? Regulations could stop companies from using certain types of plastics, for example.

What are your recommendations on that?

• (1150)

Ms. Cynthia Shanks: I think a lot of companies like ours are willing to make this transition to more sustainable packaging and are anxious to make the right choices.

It's important to build a partnership between governments, municipalities and businesses to raise consumer awareness. We've done a lot on our end and we are still doing it.

I have specific examples. In British Columbia and Quebec, we have key partnerships, whether it's with Recycle BC or RECYC-QUÉBEC, where we have supported the launch of tools. One such tool that comes to mind is called "Ça va où?". It was launched by RECYC-QUÉBEC a few years ago in conjunction with our launch of recyclable K-Cup pods.

We visited grocery stores to give hands-on demonstrations of the right things to do, the steps needed to be able to put the pod in the blue bin. We took the opportunity to invite consumers to download the RECYC-QUÉBEC app so they could really understand the steps in preparing our various containers and packaging for recycling.

More and more, companies need to follow suit in this way. On our end, it's been done through in-store presentations, but also through a lot of consumer outreach online, via videos that we post on social media, and via TV advertising. We've placed a lot of ads in various newspapers.

So the important thing is to have an all-out approach to communications. We've seen the best results in the country when we've worked hand-in-hand with organizations, such as RECYC-QUÉBEC and Éco Entreprises Québec, or Recycle BC and other organizations, such as the Recycling Council of Ontario.

To sum up, consumer awareness must become a high priority not only for governments, but also for businesses, which have a special relationship with their consumers. We're in a unique position that allows us to reach our consumers and deliver those key messages.

Ms. Emmanuella Lambropoulos: Thank you very much.

I only have 20 seconds left. So I will not ask any more questions.

Once again, I'd like to thank all the witnesses.

The Chair: Thank you very much.

Mr. Lemire, you have the floor for six minutes.

Mr. Sébastien Lemire: Thank you very much, Madam Chair.

I believe that a green economic recovery is closely linked to health and job creation.

I'd like to ask Travis Allan, vice-president of AddÉnergie, a question about the deployment of his network in Quebec and Canada. We know that, with the arrival of the Biden administration, the U.S. federal government has just initiated a massive project to electrify transportation. Given the Buy American Act, we can expect AddÉnergie to enhance its presence in the United States to produce and deploy more of its network of charging stations there and establish itself as a leader in the electric charging station market in the United States.

Mr. Allan, beyond the immense opportunities in the United States, what are your ambitions for growing your business in Quebec and Canada?

How can the federal government help ensure that our domestic market is developed?

[*English*]

Mr. Travis Allan: Thank you.

I would say our ambitions are pretty ambitious. We are seeking to grow and create one of the world's leading EV-charging networks and manufacturing companies in Quebec. We've had early success in expanding across Canada and now into the United States. There is so much more to do. As Mr. Lemire has said there's a huge opportunity there.

In terms of some of the important policies and things the government is doing or working on, one is large macro policies like the clean fuel standard, and working to help try to get better outcomes on buy America. This is critically important. Incentives for charging stations and vehicles we hope eventually are a mandate to align with Canadian adoption targets.

The last one is procurement. The Government of Canada and its Crown corporations are hugely large owners of vehicles and parking spaces. That is a big opportunity to get at those transportation emissions. A really great strategy on green procurement could go a long way to supporting not just our business, but many Canadian businesses that are involved in transitioning electrification of transportation.

• (1155)

[Translation]

Mr. Sébastien Lemire: Thank you very much.

My next question is for Mr. Grenier of the Canadian Union of Postal Workers.

Mr. Grenier, the union has a plan to diversify services and reduce Canada Post's carbon footprint. It's the project you are promoting called Delivering Community Power.

You mentioned that Canada Post could deploy a primary and secondary network of electric charging stations in rural areas.

Can you tell us more about this intriguing project?

Mr. Jean-Philippe Grenier: Gladly, Mr. Lemire.

As you know, we have post offices across the country. Since the 1990s, most post offices have been protected under a moratorium. They must remain open in their locations, especially in rural ones. Just go to a number of villages and you will see them. That can provide the federal government with a major advantage in terms of installing charging stations in all communities and settings. The charging stations can help with freight transportation as well as green tourism.

Deploying a primary and secondary network would allow electric charging stations to be installed across the country. We have a very large concentration of charging stations in the Quebec City-Windsor corridor, and even in the Halifax-Windsor corridor. However, there are fewer elsewhere. But we are in every community, and using public infrastructure already owned by the Government of Canada would create a primary and secondary network across the country.

Mr. Sébastien Lemire: Thank you very much.

We know that the fleet of the United States Postal Service, the USPS, will undergo a major shift to electric vehicles in the next few years. What about the Canada Post fleet?

You also mentioned a pilot project involving electric charging stations. Can you tell us more about that?

Mr. Jean-Philippe Grenier: I'll turn things over to my colleague Mr. Charette, who is much more familiar with the details of this matter.

Mr. Hugo Charette: Thank you, Mr. Grenier.

The tone has really changed with the new U.S. administration, and President Biden is really showing leadership. In January, he called for the full electrification of the USPS postal service, and things are moving forward. In March, a call for bids was won by Oshkosh Corporation for the eventual manufacture of 165,000 vehicles over 10 years.

Canada Post's strategy is to use hybrid vehicles—an old technology—when we should be using electric vehicles. We had already done a pilot project for electric vehicles, and we are doing a new one. At the end of January, the employer announced that it was aiming for 10% of light-duty vehicles to be hybrid. We are still at the pilot stage for electric vehicles.

A pilot project will also be conducted for charging stations, which will be installed in three mail processing centres and at head office. In total, nine charging stations will be installed across Canada. That isn't enough, and we can do much better.

We were talking about existing potential. According to Natural Resources Canada, the current infrastructure includes 6,050 public charging stations. Our post offices would allow us to double that supply. Here's a striking statistic: there are more post offices in Canada than there are Tim Hortons and McDonald's restaurants combined. So we have an opportunity to show leadership and lead the way, and that's the message we want to send.

Mr. Sébastien Lemire: I'd like to ask Mr. Allan from AddÉnergie a quick question.

Mr. Allan, would you have the technical capacity to install rapid charging stations that could serve the public 24 hours a day at over 6,000 post offices?

[English]

Mr. Travis Allan: We're very confident in our ability to produce for all Crown corporation and government charging station needs, and we're excited to compete.

Thank you.

The Chair: Thank you very much.

We will now go to MP Masse.

You have the floor for six minutes.

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

Thank you to our witnesses.

My first question will be for Mr. McTeague.

Welcome back, and thank you for your work here on many issues but the work on anti-counterfeiting was very significant, and I wish more attention could be paid to that again. They were some good initiatives that paid some good dividends at that time.

I want to ask you about Line 5. We're going to have an emergency debate tonight in the House of Commons on it. I'd like your thoughts as to its current status. This is about replacing a current capacity, not building new capacity. What would be the vulnerability if it's basically taken off the shelf?

• (1200)

Hon. Dan McTeague: It's great to be here, Mr. Masse. I agree with you. This is a great committee that has been able to achieve much, notwithstanding partisan differences. I hope to see that continue under the leadership of all of you here, but yourself as well, being the dean of this committee and, I think, perhaps even of the House of Commons, or almost.

Mr. Masse, if anybody in eastern Canada gets carried away with the idea of the new economy based on green, they may want to remember that should Line 5 close, fully 50% of all the propane supplies in Ontario, Quebec and the Maritimes, fully 45% of all the fuel, jet fuel, diesel, all of the things that we tend to overlook here not just in this discussion but in all of our interest in having a great rebalance, a great reset, build back better.... We tend to forget the significance of the existing current market, which isn't just something that's conducive to affordability and great jobs across Canada, but is our number one export, oil and gas.

You remember, Mr. Masse, I was no big friend of big oil companies. I took them on in a way no other member of Parliament had or has since taken them on. I continue to do that today by providing people an idea as to how they can best manage their finances. But I have to tell you, if Line 5 does close, consider that to be the worst-case scenario of a situation where we would see the crippling of the Ontario and Quebec markets.

The Quebec plant, Suncor, would be without at least 50% of its fuel. Some suggest that they can get the project restarted where they can get an oil pipeline from Portland, Maine, all the way back into Montreal to help alleviate things, but we're talking 540,000 barrels of oil.

We're talking about the entire infrastructure of our economy. Yes, even at a critical time, the PPE, the petrochemical sector, all of these sectors would be affected not just materially in terms of lost jobs, but also through increased prices and a potential for pretty much a shortage of energy as we head into summer.

At a time in which the pandemic hopefully will come to an end or near its end, we could very well see a scenario unfold where Americans have no trouble adapting given the massive amount of pipelines that they allowed to be built under previous administrations while Canada has been navel gazing. For other alternatives like energy east, as we know, regulatory changes by this government made it impossible for that particular project to go ahead as a line, of course, that's existing and currently in place. There really aren't a lot of other alternatives available. At a time when we are contemplating all sorts of great new forms of energy and wishing away the idea that somehow we're not a clean country in terms of our energy matrix, nothing could be further from the truth. We are probably the cleanest country when it comes to production of energy. We now find ourselves at a significant and distinct disadvantage.

For all of us over the summer, should this happen, should a court uphold Michigan Governor Gretchen Whitmer's challenge to shut down that pipeline, I think we'll be talking to our constituents about more important things: being able to put food on the table, making sure they keep the house warm, being able to eat, being able to move goods and services without this pipeline. As for putting all our eggs in one basket, maybe this committee should also be discussing—it's not for me to do that anymore—how we get more pipelines built in this country to protect our energy sector and to protect the interests of Canadians.

Mr. Brian Masse: You mentioned constituencies. I want to draw out a particular equation and situation here. You have an auto background as well too. In my riding where we make the Pacifica mini-

van, it's also a hybrid. We're trying to transition. I've been pushing for a battery plant and a number of different new initiatives in the auto sector. We're seeing that. If Line 5 goes down though, will the costs of energy and even production of the cleaner energy alternatives, being the hybrid Pacifica and so forth, compromise our competitiveness especially when we're looking at the eastern nations or other places that don't have the types of standards and environmental oversight? I worry about the costs skyrocketing and as we try to transition to this hybrid, and it has an electrical component, it becomes almost uncompetitive, and then we put ourselves out of the transition business.

Hon. Dan McTeague: That's a very good question, Mr. Masse.

I did work for Toyota Canada, public relations, Lexus Toyota. I introduced the first hybrid model in Canada. You would know it today as the Prius. Back then it was called the Tsunami. We changed the name for good reasons. While it is older technology, nevertheless in electric vehicles not everything that is new doesn't have a background in being old. We had electrical vehicles in the 1920s. We abandoned those.

It's not to say we shouldn't proceed in that direction, but what are we trying to achieve here? The economic impact of saying if we shut down every vehicle that has an internal combustion engine around the world, that would see a 6% drop in carbon emissions globally. It's a nice idea, and short of being those who have money and interests and are funded by taxpayers and subsidies to espouse the new technology, the new green economy, I think we have to deal with facts at hand. We see the Pacifica model being threatened. I think that's a signal to the rest of Ontario of just how bad things are going to get from the closure of Line 5 among other things.

• (1205)

The Chair: Thank you so much.

Unfortunately, that's the end of your time, Mr. Masse.

Before we start our second round, I want to let committee members know that last month the Special Committee on the Economic Relationship between Canada and the United States tabled an interim report specifically on Line 5. If you are interested, it has been tabled in the House and is available online.

With that, we'll start our second round of questions.

MP Dreeshen, you have the floor for five minutes.

Mr. Earl Dreeshen (Red Deer—Mountain View, CPC): Thank you very much.

Thank you to all of our witnesses.

One of the things we've been hearing lately from environmental activists and their commentary is so much an anti-oil rhetoric. We forget that our aboriginal voices are out there saying that they need oil and gas, natural resources and jobs, so they have been committed to that. We sometimes forget that this highly skilled workforce that we have has come about because of our commitment to our natural resources sector and the wealth that it has been able to attain for all Canadians.

Again, as we've heard from some of our other witnesses, we may want to talk about mining so that we can become leaders as far as the battery industry is concerned. However, what makes us think that this is going to be easily attained when we have Bill C-69, which is probably one of the biggest barriers for this? Over-regulation.... We heard how it takes months in some countries to get approval, and it drags on for years and years here in Canada.

Obviously, we have a lot that has to be done for us to deal with this. We talk about our ethically sourced coffee, but we don't talk about ethically sourced oil and gas. These are some of the concerns that I have.

Today Bloomberg has just indicated that China's emissions now exceed the emissions of all of the developed world combined, yet we keep talking about how great it will be that China will be on side and that all will be right with the world as far as the environment is concerned.

Mr. McTeague, I wonder if you could tell this committee what the impact of the Liberal government's decision to triple the carbon tax will be on the Canadian economy. Will it help to meet our emissions reduction targets, or will it simply cripple businesses, stifle innovation and make Canada even more uncompetitive on the international stage while doing very little to reduce emissions?

Hon. Dan McTeague: Mr. Dreeshen, there are a number of ways to answer that.

I don't mean to take away from everyone else, but I think the reality is that if we're not careful in the approach we take here, we may very well put Canada in a situation where it gets credit for nothing, not just its clean energy. Think about our ability to sell more LNG to China. However, because we have pipeline blockages in this country tolerated by this government...and I hate to say that. We saw this before the pandemic. The economy came to a virtual shutdown.

We have signed the Paris climate accord agreement, which your party, by the way, supports, Mr. Dreeshen, which says that Canada gets absolutely no credit for the amount of natural gas it could sell to stop countries like China and India from building more coal plants as an alternative.

We have the solutions here, and not just the technological solutions, but I suspect that we tend to get a little ahead of ourselves in saying, "Here's where we want to go, but we can't do it alone," and we certainly shouldn't be penalizing Canadians to achieve that.

We should also celebrate the fact that we have significant clean energy to begin with.

[*Translation*]

The Hydro-Québec projects in Quebec are one example. As I said earlier, there are nuclear power plants in my former riding of Pickering. To make the transition, we need to talk about money.

[*English*]

How much is it going to cost to achieve these things? No one seems to want to do that.

Mr. Dreeshen, when I did the study on the CFS.... Before the federal government had, in fact, implemented what I think to be a very dangerous second carbon tax, a clean fuel standard—and no environmental economist globally would support a second carbon tax to ruin the first carbon tax—it turned out that the federal government had never done a cost benefit analysis. We found out that for every dollar of environmental benefit of a clean fuel standard, it costs the public six dollars. In that kind of scenario, you can see where manufacturing may decide to leave and Canadians may not have the ability to make ends meet.

I want to bring this back to where I think politicians and our representatives have to be. You can talk a great deal about the things you want to do, but you can't forget the people who elected you. Consumers are rarely taken into consideration. We need to have an affordable and balanced approach to how we want to make these transitions. I think we all want them, but they have to come gradually, and they have to come in lockstep.

I mentioned Toyota Canada a little earlier to my friend Brian Masse. There's a company that will not go all green, all electric vehicle, for obvious reasons. It believes it can drop the amount of emissions through other technologies like, for instance, hydrogen.

I suspect that we can do all of these things, but we have to make sure that we keep Canadians on board. We're living in a time when we're borrowing a lot of money to maintain the standard of living. What comes out of this pandemic will be extraordinarily devastating, potentially, to the Canadian economy.

• (1210)

Mr. Earl Dreeshen: Thank you very much.

One of the other issues is that we're involved in agriculture here in Alberta and across the country, but we look at the terrible costs that are associated with the carbon tax. People don't understand how much it is embedded into the transportation, into our fertilizer, chemicals, and so on. Hopefully that message gets out.

Perhaps you can quickly respond. I think I have half a second left.

Hon. Dan McTeague: I hope it does, too. There's no doubt that carbon taxes are hurting farmers, and I think Parliament has to address that issue.

Mr. Earl Dreeshen: Thank you.

The Chair: Thank you very much.

We'll now go to MP Ehsassi.

You have the floor for five minutes.

Mr. Ali Ehsassi (Willowdale, Lib.): Thank you, Madam Chair.

Thank you to all the witnesses who have appeared before us today. It's chock full of different recommendations on the green economy and some suggestions as to how we can do better.

Mr. McTeague, since listening to your testimony, I've been straining to come up with a single recommendation that would assist us as a country to move forward on the environment and do a better job as a country. I have to say, you know this process and it's very disappointing that all you talk about is budgetary allocations and affordability. Today's session is about the green economy and how we can tap into Canadian innovators.

Mr. McTeague, are you a lawyer?

Hon. Dan McTeague: No, Mr. Ehsassi, but as you know, I've written law.

Mr. Ali Ehsassi: You're not a lawyer. Can I ask why you—

Hon. Dan McTeague: Mr. Ehsassi, I'm not a scientist either.

Mr. Ali Ehsassi: I was going to get to that.

You're not a lawyer, but you say the Supreme Court now apes the alarmist nonsense of Greta Thunberg.

If you're not a lawyer, is it really okay for you to sit in judgment of the Supreme Court?

Hon. Dan McTeague: Well, Mr. Ehsassi, that depends. If the Supreme Court—

Mr. Ali Ehsassi: No, I—

Hon. Dan McTeague: Mr. Ehsassi, you asked a question. Can I answer it?

Mr. Ali Ehsassi: But you're not a lawyer. Mr. McTeague, we've heard you.

Hon. Dan McTeague: Mr. Ehsassi, the question is rhetorical. The answer is not.

The Chair: Gentlemen, I would ask that you not speak over each other, because the interpreters cannot do their work.

Thank you.

Mr. Ali Ehsassi: Thank you.

Mr. McTeague, you've admitted you're not a scientist. Why would you say the environment is a “faddish hysteria over climate change”?

You're not a scientist. Am I correct?

Hon. Dan McTeague: Mr. Ehsassi, if you're asking me my credentials, I think you know them.

When you've served 17 to 18 years, you've seen questions like that before.

Mr. Ali Ehsassi: Sir, are you a scientist?

Hon. Dan McTeague: I was at a point where I was asking questions like that.

Mr. Ali Ehsassi: Mr. McTeague, are you a scientist?

Hon. Dan McTeague: Mr. Ehsassi, I think I answered that.

Mr. Brian Masse: Madam Chair, on a point of order, can we at least have the witness be able to answer the question without being badgered? If you're looking to have things better for the interpreters, I suggest that there at least be provided three or four seconds before interruptions.

The Chair: Mr. Masse, I agree.

Mr. Ehsassi and Mr. McTeague, may I ask that you give each other an opportunity to respond?

Thank you.

Mr. Ali Ehsassi: Mr. McTeague, just a yes or no, please.

Would you agree and admit that as a country our emissions are up, yes or no?

Hon. Dan McTeague: Yes, they are.

Mr. Ali Ehsassi: Would you also agree that there is an international consensus about climate change, yes or no?

Hon. Dan McTeague: No.

Mr. Ali Ehsassi: There's no consensus. Okay. Perhaps that explains what you said earlier. You said during your testimony today that our country is attempting to “convert the rest of the world”.

What did you mean by that?

• (1215)

Hon. Dan McTeague: Mr. Ehsassi, I'm sorry, what section were you referring to, my questions before with other members or the initial commentary?

Mr. Ali Ehsassi: I think there is an international consensus about climate change—

Hon. Dan McTeague: No, I'm sorry. With all due respect, I think you asked me a question, not about the question I've just answered but in fact this one here.

You said I've said something in testimony. Can you raise where that was or can you have Liberal research change that for you?

Mr. Ali Ehsassi: I can repeat it if you like. You say the government is attempting to “convert the rest of the world”.

Is that really what you see our government's mission being, given that every other country seems just as concerned about climate changes as Canada is?

Hon. Dan McTeague: Mr. Ehsassi, I'm not sure where you're reaching for that. If you think I said that, that's fine. I'll leave that with you. I don't believe I said that.

What I said was that I think Canada has to be careful of the role and the emphasis it places on changes that are going to have a dramatic impact on the bottom lines of Canadians.

I think constituents of Willowdale are just as important as people around the world who understand this issue, but all understand that you can't achieve these things by losing people along the way and destroying your ability to make ends meet.

Mr. Ali Ehsassi: I appreciate the importance of Canadians and the views that they hold. Despite everything that we hear about Canadians, they are very much concerned about climate change. That's precisely why I don't quite understand why you would call Canadians engaging in "faddish hysteria" over climate change.

Hon. Dan McTeague: Mr. Ehsassi, I think it's fairly clear that when you have a government saying that they can change, and they grandstand on targets and say that we can achieve 30% below 2005 levels, without taking into consideration what we've done already prior to 2005, and shutting down coal plants is an example.... We have a government that says we'll change that; we'll make it 45% below 2005 levels.

It is faddish and it is cliquish. The problem you're seeing, Mr. Ehsassi, is that increasingly.... I disagree with your point. I think only 24% of Canadians think climate is an important issue and the other 75% are interested in jobs and health care. They're interested in making sure that Canada does a good job at getting back on its economic feet after this pandemic is over. I think that's something that would be far more advisable, from my years of experience, Mr. Ehsassi, and my six terms as a Liberal member of Parliament and lead on consumer issues for our party at a time when it used to care about consumers.

Mr. Ali Ehsassi: Thank you.

The Chair: Thank you so much.

We will now go to Monsieur Lemire.

[*Translation*]

Mr. Lemire, you have two and a half minutes.

Mr. Sébastien Lemire: Thank you, Madam Chair.

Mr. Allan, AddÉnergie produces smart charging stations that can be deployed on a network. Can you tell us about the technology behind this product, which is in high demand in the United States?

How can your technology help level out the peaks in energy consumption?

[*English*]

Mr. Travis Allan: The technology that we developed in Quebec helps us do a couple of different things.

When you think about a traditional fuelling structure like a gas tank, you think it's really about taking fuel safely from a big tank and putting it in your vehicle. But when you're using IoT, Internet of things, connected—things like charging stations that are networked—what you're actually doing is enabling a whole range of data reporting and analysis that helps our utility partners to understand the impacts on their grid. It also eventually will allow Canadians to make really smart choices about when they consume energy and how.

That will allow for cost savings, which as many witnesses here have mentioned, is really important, because there are different times of day, especially when we use solar or wind, where there's

more power or less. It allows utilities to incentivize the best types of consumption.

On the flip side, if you're looking at a commercial landlord that's deploying a bunch of charging stations, such as many of our large clients who have started electrifying their parking lots, you'll see that it allows them to make really smart decisions about where they position charging stations, how much they charge for them. Really, it's about managing energy, which can be the biggest single cost in deploying those charging stations. Basically, it's opening up a whole new world of analytics and also smart energy management.

[*Translation*]

Mr. Sébastien Lemire: You recommend that 75% of purchases of new light-duty unmodified vehicles be zero-emission vehicles. You also recommend that the government set a goal of making charging stations available in 30% of parking spaces by 2030, at a rate of 5% per year.

What measures could the federal government take to stimulate the green economy and create green jobs, such as providing financial assistance for the installation of home charging stations?

• (1220)

[*English*]

Mr. Travis Allan: That's correct.

We have made recommendations to the government to expand its purchase of both electric vehicles and charging stations primarily to line up with the Canadian government's own objectives with respect to electrifying transportation and also to support their greening government techniques.

I think that's an opportunity for direct investment by the government. There's also a huge opportunity to help electrify people's homes as well.

The Chair: Thank you very much.

[*Translation*]

Thank you very much.

[*English*]

Our next round of questions will go to MP Masse.

You have the floor for two and a half minutes.

Mr. Brian Masse: Thank you, Madam Chair.

Thank you to all our witnesses.

I have limited time so I'm going to go to the Canadian Union of Postal Workers, and thank the other members who may not get a chance to answer. I'd like them to be able to have a full, robust answer and not interrupt them, as they're guests here.

My experience with the Canada postal assets has been that we're underutilizing some of the potential that we have. I've noticed your campaign of affordability also includes everything from manufacturing to using our assets and then paying a dividend back to taxpayers, which Canada Post has a very long history of doing.

Can you expand on how we can connect a bit of the manufacturing as well towards it? For example, vehicles that we've purchased most recently came from Turkey. They could actually be made here in Canada. Would you please elaborate on what you're proposing?

[*Translation*]

Mr. Jean-Philippe Grenier: Thank you for the question, Mr. Masse.

The vehicles we currently use at Canada Post are hybrid vehicles manufactured in Turkey. There are no buy Canadian guidelines, but we've seen recently that the big three automakers in southern Ontario have signed agreements with Unifor, another union, for labour and that GM is reopening its vehicle production plant in Oshawa.

Right now there are great opportunities for Canada if it moves toward electrification of transportation. We saw that the Ford plant in Oakville announced that it would be producing seven types of electric vehicles. What needs to be emphasized here is that we need delivery fleets that are adapted to Canadian weather conditions and designed for use in our territories.

In Germany, Mercedes has built a fully electric vehicle with a range of 200 kilometres and tested it in Russia in very cold winter conditions, such as those found in Canadian winters. I believe that such expertise could be developed in Canada to allow for the purchase of 100% Canadian-made vehicles. This would help boost the economy and create green jobs in Canada, and it would allow Crown corporations to use Canadian-made vehicles.

[*English*]

The Chair: Thank you so much.

We'll now go to MP Baldinelli.

You have the floor for five minutes.

Mr. Tony Baldinelli (Niagara Falls, CPC): Thank you, Madam Chair.

Thank you to all the witnesses for being here this morning.

I'd like to go to Mr. McTeague and follow up on some of his earlier comments.

In response to a line of questioning, you mentioned that if we're not careful in the approach we take, it will have an economic impact on the type of recovery, probably, that we're going to experience in the years ahead.

Following up on a line of questioning from one of my colleagues, we did talk about the Green Energy Act.

I come from the community of Niagara Falls, and you talked about being from Pickering. I have those Sir Adam Beck plants that you talked about, 2,200 megawatts of power.

Concerning the impact and the debt levels that were brought about by the Green Energy Act, the individuals who were involved

in developing those policies are the same cast of characters who are involved in developing these policies that this federal government is now advocating and putting forward. That concerns me for my constituents.

Does it concern you? What impact will that have on our country?

Hon. Dan McTeague: Mr. Baldinelli, thank you, and it's a great pleasure.

I'm not very far from you here in Oakville. I can tell you that, from my home right now, you see the electricity that comes from the Adam Beck, one of the few lines left over from 1911.

Of course it does concern all of us, Mr. Baldinelli, when you have the desire by constituents to understand where the economy is going, whether or not the current economic bubble we find ourselves in, not just in terms of housing but lumber prices.... We're now seeing inflation creeping back in.

I think the last thing we need to be visited with is untested, untried technologies that go way ahead of, not just the laws of physics, but what we can see as achievable here in Canada for the time being.

In Oakville, and I'm sure you've driven by them, you see the over 12,000 cars that are sitting there because we don't have microchips. Each of those vehicles is missing 17.

We need to understand that, as we make this transition to the new green or new economy, we can't forget that it can't be done without fossil fuels and without hydrocarbons. I don't think there are many in your constituency or in my former constituency who would disagree with that.

It's an excellent question, but I sense that we have an opportunity in this country to rejoice and celebrate. I am extremely concerned about the fact that, without oil and gas being successful, and manufacturing and now our agricultural sector being adversely affected by carbon taxes, we may find ourselves in a situation where we can't pay off massive debts that we've incurred. I think that's something that's a generational issue.

I was there from 1993 to 1998 when our government had to make some very unpopular choices to cut back on programs: social programs for teachers, for housing, for pensions and for our hospitals. I don't think we want to go down that road. I think we have to be very careful and look before we leap.

● (1225)

Mr. Tony Baldinelli: Thank you.

Just following up on that and the approach that we talk about, you recently posted on your website about the reductions and emission targets. You mentioned greenhouse gas emissions in Canada that are listed, and our 2019 emissions level increased by 1% over 2018.

When you compared for the Paris target accords—we're going to 2005 as a baseline year—you're saying that, over those 14 years, emissions have only gone down by 1%. You're then postulating with the government's new commitments that they're going to have to reduce emissions by 29% over 11 years. How does one do that without having a negative impact on the Canadian economy, and how can they do that?

Hon. Dan McTeague: That's a really good question, Mr. Baldinelli. I don't know how they're going to do it. I've strained to try to find out how you're going to achieve....

Assuming the Paris target of 30% under 2005 by 2030, you're now increasing that to 40% or 45%—

Mr. Tony Baldinelli: It's been increased.

Hon. Dan McTeague: Yes. I don't know how you can achieve that.

Look, the next data and information that the committee has to understand, and I think is going to hear, is that with the lockdown in Canada, we saw a 7% decrease. Are we all planning, then, to accept a sevenfold, seven-year lockdown in order to achieve those targets? We need to make sure the technology is there and evolves in such a way that we get credit for the things we do.

I'm with you. I think those are great stretch goals, but I think they're impractical, and they may very well be unrealistic. I think that's where all of our political parties have to be. We have to provide realistic objectives in the context of the great things we've done in this country, especially from your riding, which was the first adopter of Tesla technology globally.

Mr. Tony Baldinelli: Thank you.

Thank you, Madam Chair.

The Chair: Thank you very much.

We'll now go to MP Erskine-Smith for five minutes.

Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.): Thanks very much, Chair.

Mr. McTeague, first, thank you for your service. I know that you served a significant amount of time. This job isn't always easy, so I do appreciate that.

You and Ali were going back and forth about science. Obviously, we should listen to the science. Obviously, we have obligations to the international community. But this is also about our kids. It's also, frankly, about jobs.

You said it is a “nice idea”, and I think the contrast you're trying to make there is that this is a nice idea, but there are more pressing matters for Canadians. Perhaps I can put it in a different context. If I went back to my constituents and said, “Well, we should address pandemic risk—it's a nice idea—but I'm really focused on afford-

ability right now,” don't you think my constituents would say, “Nathaniel, you should be focused on reducing pandemic risk”?

Hon. Dan McTeague: It's a very good question, Mr. Erskine-Smith. I know of your good work. I see a streak in you that I might have seen in myself 20 or 30 years ago, so hats off to you. You're on the right committee.

My constituents would have raised issues at the time of why you'd see increased taxes in the midst of a pandemic, which unfortunately the government did not just once, but twice. I think we have to deal with these crises as they come, but we also have to plan the long term in terms of where we want to be. Yogi Berra put it very well...or to use a Jean Chrétien expression, if you don't know where you're going, chances are you're going to wind up somewhere else.

I think in the context of [*Technical difficulty—Editor*] what are the deliverables of this federal government, of our Parliament, in terms of its ability to address the issue at hand? We've spent a considerable amount of time talking about green energy and green ideas for the future. I think they're important, but I also think they tend to lose a lot of people—

• (1230)

Mr. Nathaniel Erskine-Smith: I am sorry. I only have five minutes.

Hon. Dan McTeague: Yes. Go ahead.

Mr. Nathaniel Erskine-Smith: I want to talk about pandemic risk in particular. When I look at the dollars and cents of it—I know you're a dollars-and-cents guy—the estimates I've seen are that the costs of preventing a pandemic are measured in the billions and the costs of pandemics are measured in the trillions. We are living through that today. I care a lot about pandemic risk, not just as a nice idea but reducing pandemic risk.

Then I read the UN Environment Programme report from July. They say that of the seven human-mediated factors that are most likely driving the emergence of zoonotic diseases, something I care a lot about in terms of reducing that risk, one of the seven is climate change. If we look at the dollars and cents and where we want to be, shouldn't we be addressing climate change in a really serious way?

Hon. Dan McTeague: I think you're correct, but what I wasn't able to say in my original comments—I hope you get a distribution from the clerk—was that Steve Koonin, the former undersecretary under Obama, also said we can't overestimate the idea that somehow climate change is going to have a negative economic impact.

Specifically to health—this may be completely converse to what we are thinking today, but it wasn't 10 or 12 years ago—without fossil fuels, without hydrocarbons, you wouldn't have the kind of protection of a civilization, you wouldn't see the proliferation of civilization, as you're seeing today. While climate change may be connected, which I don't for a minute doubt, debate or dispute, to other issues, it's also one of the main reasons our fossil fuels, the things we're trying to get rid of, have a lot to do with increasing, improving and protecting.

Think of PPE here. They're made of fossil fuels—

Mr. Nathaniel Erskine-Smith: I agree that we've built civilization, and in large measure our certain prosperity in Canada, on our expansion of fossil fuels, but we also have to recognize the risks it poses to us in the long term, including our kids, and to the rest of the world. Again, that UNEP report says that an “extensive literature review of emerging diseases in Brazil revealed relationships between infectious diseases outbreaks and...extreme climate events...and...environmental changes...[including] deforestation.” That very progress that we like to hold out is not necessarily sustainable progress.

Anyway, I do appreciate your point about affordability. I care about consumer advocacy as well. I do think we have to focus on it. That's why the price on pollution has to be revenue neutral, with money back to Canadians. Ideally, those at the low end and the middle end are made whole, as much as reasonably possible. We do have to change our behaviour, obviously, and not just as related to climate change; also in relation to reducing pandemic risk. But I do appreciate your advocacy here.

With the remaining time I have, and I know it's not long, I'll ask Caroline from the Climate Action Network how we compare with other countries in terms of our climate ambition, particularly as it relates to recovery packages.

[*Translation*]

Ms. Caroline Brouillette: Thank you very much for the question.

First, it is important to note that several countries, including the United States, the United Kingdom and Germany, announced new targets in the context of the President Joe Biden's climate summit. Canada announced a new greenhouse gas reduction target of 40% to 45%. This is a step in the right direction, but of all the countries that have announced new targets, we are among those with the lowest targets. We must therefore continue to increase our climate ambitions.

On a per capita basis, Canada has made historic investments. However, compared to France, Germany, the European Union and the United States, Canada's investments remain among the lowest.

The Chair: Thank you very much.

[*English*]

We'll now start our third round of questions.

[*Translation*]

Mr. G n reux, you have five minutes.

Mr. Bernard G n reux (Montmagny—L'Islet—Kamouraska—Rivi re-du-Loup, CPC): Thank you, Madam Chair.

I'm going to inject a bit of humour. If Mr. McTeague's Internet connection is like his 1911 power line, he can't be surprised that he has so many problems.

That being said, the way my colleague addressed our witness should really be appreciated. It's important to show a modicum of respect, despite differences of opinion. It's as if I asked Ms. Brouillette and Ms. Latour if they were lawyers or scientists and I couldn't take their answers into account if they answered in the negative. Frankly, we cannot do that. Everyone is entitled to an opinion about our environment and everything we can do about it.

Ms. Brouillette, I'll give you the opportunity to continue what you started to say. You frowned a few times. Since you're close to your screen, I could see you frown when Mr. McTeague talked about more pipelines in Canada and the possible closure of Line 5. We'll see what will happen after this evening's debate, but there will be very serious negative consequences for Canada if it closes. We obviously support a possible transition.

What do you think the timeline should be for an effective transition in Canada?

• (1235)

Ms. Caroline Brouillette: Thank you for the question.

Before asking my colleague to complete my answer, I would like to explain my frowns. I want to set the record straight on the issue of renewable energy subsidies, which has come up several times.

This issue can't be examined without also looking at fossil fuel subsidies. We know that these subsidies tripled during the pandemic. So Canadian taxpayers' money is being invested in that sector, and it's contributing to slowing down this necessary transition. According to an Environmental Defence report, the federal government had recently announced or provided no less than \$18 billion to the oil and gas sector. That includes almost 14—

Mr. Bernard G n reux: Are you talking about wage subsidies that were offered by the government to Air Canada or to Canadian companies?

Ms. Caroline Brouillette: This may take many forms, such as tax credits or programs that establish a cost for greenhouse gas emissions based on the polluter pays principle.

Mr. Bernard G n reux: I apologize, but I would like to ask you a few questions, and my time is limited.

We all live on the same planet, where nothing is created and nothing is lost. That's what my mother always told me. If we didn't use oil in Canada or if we reduced our use of it to meet our targets, where in the world would we have to source our oil?

Ms. Caroline Brouillette: All of the new infrastructure planned as part of the expansion of the oil and gas sectors is for export. In Canada, the expansion of these sectors is, in a way, detached from the issue of energy demand and how Canadians get their energy. That doesn't mean that the fossil fuel demand of Canadians shouldn't be reduced. There are a number of possible measures. We've talked, for example, about a zero-emission vehicle standard, or ZEV standard, by 2035, like the one set by Quebec.

I would add that groups, including the Climate Action Network Canada and Environmental Defence, have done some modelling of the effects of reducing our emissions by 60% by 2030 on the Canadian economy. They found that it reduced household energy costs. These affordability issues—

Mr. Bernard Généreux: How is it that Quebeckers, who claim to be great defenders of the environment, are also the biggest consumers of sport utility vehicles, or SUVs, and Ford-150 pick-up trucks in Canada, if not North America?

I'll remind you that I was the mayor of La Pocatière and that, in 2005, we were the first to introduce brown bins in all of Eastern Quebec—that was 16 years ago. Why is it that Quebeckers' garbage bags are the heaviest because of the organic waste they contain?

Isn't there some kind of hypocrisy here?

The Chair: I'd ask you to be brief, Ms. Brouillette.

Ms. Caroline Brouillette: That's a very good question.

We know that SUVs contribute to the increase in greenhouse gas emissions in the transportation sector. I invite you, Mr. Généreux, to consult an Équiterre report on the advertising and marketing expenses for this type of vehicle. I'd be happy to send you the link to the report.

Mr. Bernard Généreux: However, there are consumers who buy them.

The Chair: Mr. Généreux—

Mr. Bernard Généreux: Excuse me, Madam Chair.

The Chair: Your time is up, Mr. Généreux.

Ms. Brouillette, would it be possible to send the link to the document to the clerk? He'll forward it to the members of the committee.

Thank you.

[English]

We'll now go to MP Jaczek.

You have the floor for five minutes.

Ms. Helena Jaczek (Markham—Stouffville, Lib.): Thank you so much, Madam Chair.

Thank you to the witnesses. Many of you have suggested some excellent recommendations on the way forward in terms of eco-

nomics recovery, especially those of you who have addressed climate change.

I'd like to ask Mr. Cairo of Advanced Building Innovation Company a bit more about his recommendations.

We've received your speaking notes, Mr. Cairo. You specifically have some areas that you're interested in. One of them was increased R and D support. Has your company been able to access any source of support from government? How have you done what you've done, which is considerable, to date? What are your recommendations around R and D funding?

• (1240)

Mr. Frank Cairo: Thank you very much for the question.

It may come as a surprise, but my personal point of view, which is based on both academic interest and also the entrepreneurial spirit of our organization and my own background in business, is that business needs to remain in a competitive environment and forced to fend for itself.

I think that innovation in the future with respect to climate and the many things that are tied to a sustainable future are all things that can happen in a competitive marketplace without the need of much government intervention.

To specifically address your question about research and development, one of the best ways to deal with research and development investment is to allow for some tax relief and credit for those types of investments. I'm not talking about having government cut cheques to stimulate research and development. I'm talking about allowing for business to be incentivized to invest in tomorrow's technologies and also in immediate solutions to some of the biggest problems that we face by having those investments free from over-taxation.

There are many examples of that in particular that I can get into. For our own business, for example, we have not accessed any government funding. We have applied for, in the one example, some research and development tax credits associated with some big investments we made. The offset of those investments won't even come close to the amount of investment that we put in, but I think that's right. I don't think it's the government's job to invest everywhere.

I think responsible business, when they're looking at an emerging new economy and consumer demand, can shift gears and not always be rear-view looking. I think responsible businesses of the future will always be trying to reinvent themselves as consumers and demand shifts. In some cases it's towards sustainability and in other cases it's away from sustainability, ironically enough.

Ms. Helena Jaczek: Thank you. I really appreciate your point of view.

You also refer to planning and building approval process reforms that are more on the provincial and municipal level.

I know that part of your work is on modular advanced manufacturing type of processes. Have you had some difficulty in terms of getting approvals for projects? I know the city of Markham, as an example—it's the area I represent—is extremely interested in this type of construction.

What do you see there as being necessary?

Mr. Frank Cairo: It's a wonderful question. I really appreciate your asking it.

It would take me weeks to sort of get through it, but I would say that planned-use planning, particularly in Ontario, has not kept pace with the required flexibility that's going to be needed for a zillion cities of the future. I have a whole host of ideas on how to reform that, but what I can say is that I don't believe that more regulations in building codes is a solution. We have some very specific examples of more energy-efficient and green technologies that are actually precluded because of antiquated views on building codes and very prescriptive regimes around what energy-efficient solutions look like.

My view on this is that, as consumers are demanding more energy-efficient products, the industries that produce those products will adapt and provide consumers with what they're looking for. The role of government isn't to say, "It's these five things that must happen in order to be energy efficient." I think that industry can do a great job of pushing the envelope on energy efficiency. We've actually reduced the carbon footprint of our product line by 30%, way above and beyond the building code. Many of the things that we do wouldn't exist if we didn't always challenge what that existing building code prescribes.

I really appreciate the question, and I think it's a very important issue that you raise.

Ms. Helena Jaczek: Thank you.

• (1245)

The Chair: Thank you so much.

We'll now turn to Monsieur Lemire.

[*Translation*]

Mr. Lemire, you have two and a half minutes.

Mr. Sébastien Lemire: Thank you, Madam Chair.

My questions are for Mr. Charette and Mr. Grenier from the Canadian Union of Postal Workers.

Can you tell us about your service diversification project, which you mentioned briefly?

Could you also share your assessment of the Liberal Greening Government Strategy, which came out of the last budget that was tabled?

Mr. Hugo Charette: In terms of service diversification, we are increasingly offering services at post offices, including postal banking and Service Canada. We really want to reinvent the post office.

With respect to the Liberals Greening Government Strategy, they use the word "encourage" when they talk about Crown corporations. That's where we see a lack of leadership. What does "encourage" mean? Are they fully funding the energy transition, or is it a little pat on the back with a postcard that says, "You can do it"?

We want to make the case today that this strategy lacks teeth. Crown corporations must be included in the stimulus package, and clear and specific language is needed to do so. That's really what we want. That's really the symbol and the signal that needs to be sent.

When Mr. McTeague says to wait and move incrementally, I'm a little taken aback. You heard from Mr. Breton, from Electric Mobility Canada. He painted an interesting picture of the situation. He said that the electrification of transportation should not be seen as an expense, but as an investment. He emphasized that we should not miss the boat, that Europe and Asia were positioning themselves and that this was also the case for our partners, the Americans.

Let's move towards electrification of transportation, but in order to do so, let's use our largest Crown corporation. Installing nine charging stations does not send a strong message to industry about where we need to go.

Mr. Sébastien Lemire: You're absolutely right.

You mentioned a Queen's University study on the charging station network and the importance of investing in a secondary network. You said that the Canada Post offices could be used. You also talked about optimizing charging stations, which could be used 24-hours a day.

What is the status of this pilot project? Can you tell us a bit about it? My understanding is that an American firm is being used.

Mr. Hugo Charette: ChargePoint will install the nine charging stations that make up the employer's proposed pilot project.

The Queen's University study allowed us to see all the potential that was out there. We are talking about the post-COVID-19 recovery, the green recovery, but we also have to talk about tourism recovery, which can be a vector. We have the infrastructure. So we can install charging stations and accelerate the transition.

Mr. Sébastien Lemire: Thank you very much.

The Chair: Thank you.

[*English*]

We'll now turn to MP Masse.

You have two and a half minutes.

Mr. Brian Masse: Thank you, Madam Chair.

I'm going to ask Climate Action Network Canada a quick question, and then hopefully Mr. Allan will have a brief answer as well.

I started with Mr. McTeague, and we heard about Line 5 because it connects to the manufacturing that takes place in my constituency, which is the battery-operated hybrid vehicle, the Pacifica, which was actually turned away by Canada Post, not by the Canadian Union of Postal Workers here, to buy vehicles in Turkey. I think that's important because we need that to be able to continue productions in a shift. Then we hear about the opportunity from Canada Post, which is actually procurement.

Climate Action Network, I've been hearing non-stop since being here—and I don't want to be too partisan—from Liberal and Conservative governments over and over that they can't do government procurement. However, I see this as an incredible opportunity, whether it's in my riding or somewhere in Oshawa or along the line here in our own country, to do this type of electric procurement because it will lower consumer prices.

What are your thoughts about procurement in general in terms of government contracts similar to what the U.S. and Europe do?

[Translation]

Ms. Caroline Brouillette: Thank you for the question.

Certainly, given the government's purchasing power in procurement, this is an excellent opportunity to create a ripple effect on the economy by contributing to this transformation.

Moreover, it will be important, when this change related to procurement occurs, not to forget the issue of just transition, which my colleague Ms. Latour mentioned earlier. We must support the workers in the sectors that will be affected. We know that they are already affected, not only because of climate change, but also because of automation. For our part, we expect that there will be some movement on the issue of just transition legislation.

[English]

Mr. Brian Masse: We can keep those workers working in my constituency and elsewhere instead of buying vehicles from Turkey, which is absurd.

Mr. Allan, I'm sorry. I will give you whatever time I have left.

● (1250)

Mr. Travis Allan: Thank you. It's such an important question.

In provinces like Quebec and British Columbia which have really worked to start electrifying their provincial and municipal fleets, it's a very significant opportunity for Canadian businesses on both the charging side and now on the vehicle side as we get more Canadian EVs. I couldn't agree more with the opportunity.

There are also some interesting trade issues that we need to work out and look at with buy America.

I will leave it there.

The Chair: Thank you so much.

We will now go to MP Poilievre.

You have the floor for five minutes.

Hon. Pierre Poilievre: Mr. Cairo, thank you for being here today. We're very proud to have a local business and a champion of innovation and technology testifying before this august committee.

What you are doing is making housing more affordable with your technology. As I see it, that's an opportunity to provide home ownership to people who would otherwise be stuck renting for the rest of their lives.

Could you talk a bit about how your technology will enable working-class people to aspire to and achieve the dream of home ownership?

Mr. Frank Cairo: Thank you for the question, Mr. Poilievre.

It's actually a very important part of our philosophical underpinning that we address affordability in housing stock. It's becoming an extreme issue not only in Ottawa, but across the country. Manufacturing practices do have a whole host of solutions that are available to address the issue.

The biggest factor that's creating an affordability issue, obviously, is the cost of underlying land and the lack of land supply for urban home inventory. After that, building costs have skyrocketed. The cost to assemble homes in the traditional fashion has really skyrocketed.

Hon. Pierre Poilievre: Can I ask for clarification? You say that land costs and land scarcity is a problem. We live in one of the most abundant countries in the world when it comes to land. We have among the lowest population densities of any nation on planet Earth.

How is it possible that we have a shortage of land?

Mr. Frank Cairo: Municipalities in Ontario, but also with the previous government in Ontario, made some pretty drastic manoeuvres to intensify growth within existing urban areas instead of allowing for responsible and sustainable growth to continue outside of existing urban areas. That has led to, in part, threats to existing neighbourhoods that are dealing with mid-rise and high-rise buildings in their backyards, which they are very adamantly opposed to. However, some of that mixed use is important.

That being said, we have taken such an extreme intensification approach to growth that the cost of a new home has dramatically increased. The demand, especially from new Canadians, is for a backyard and what Canada has to offer by way of a lifestyle change. Forcing them into towers has been difficult. As demand has skyrocketed relative to the little supply coming on, that new home inventory has dramatically changed in price.

Hon. Pierre Poilievre: Basically, working-class people and immigrants want and should have the opportunity to earn a good wage and put that money towards a good home, but municipal and provincial governments prevent them from doing so by restricting their access to land, even though Canada has more space where there's no one than we have where there's anyone. Even though if you spread Canadians out evenly we would have more than a football field for every single Canadian, somehow we have a land shortage. That is a government failure, not a market failure.

That's the supply side. On the demand side, you are telling me that the costs of raw materials are rising. I have seen that these prices have gone up corresponding to the Bank of Canada printing unprecedented amounts of money. We have seen lumber prices go up 400%. Commodity prices are up 50%. That obviously gets baked into a house price.

Are you seeing the same inflationary pressures over the last year since the central bank started printing cash?

Mr. Frank Cairo: Your referred-to increase statistics are actually very much correct. It is a very severe issue in the cost of a new home.

Hon. Pierre Poilievre: This is an inflation tax that hurts working-class people because their wages don't go as far. Of course, it's very good news for extremely wealthy people whose assets become far more valuable. Thus, the rich get richer and the poor get poorer.

Tell me how a company like yours can counter that unjust effect by making housing more affordable and by unleashing the power of the free enterprise system to give people the opportunity to own a home?

• (1255)

Mr. Frank Cairo: Traditionally, new home builders are able to prevent a whole host of competition by owning the very rare land resource. If we could create competition by manufacturing housing in a new way that's disconnected from land ownership, that competition for the building products and the homes themselves might trigger a more affordable housing stock.

It doesn't address anywhere near the magnitude of increase in land value that's the big issue or the taxation built into municipal fees, provincial fees and tax, but I do think competition around manufactured product will make a positive impact on the overall affordability of new homes.

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

We will now go to MP Jowhari.

You have the floor for five minutes.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Madam Chair.

To all the witnesses, thank you for your testimony today.

I'd like to ask Mr. Allan a question.

I understand that one of your subsidiaries, FLO, is working on a \$13-million curbside electric vehicle charging program in New York City. I also understand you have a number of these projects across North America.

Can you give us a breakdown of, when you say North America, how many of them are in Canada, how many are in the U.S. and how many are in Mexico?

Mr. Travis Allan: That's right. We actually took stations that we designed and built for the City of Montreal, and adapted them and made modifications for a number of American cities.

Our two largest American deployments are in the city of Los Angeles, where we've deployed stations on their existing light poles to take advantage of energy efficiency measures they made and create more charging stations. We're in a couple hundred there. We've also just announced that we're shipping over a 120 stations to the city of New York. They'll go in all five boroughs. Those stations were custom designed for the New York streetscape, because they wanted a particular look and feel.

We hope that's the beginning of a lot more. Right now, most of our operations are in Canada. We have sold over 40,000 charging stations since we started. The bulk of those are in Canada, but we're getting ready for a major expansion in the United States.

Mr. Majid Jowhari: That's great.

Can you tell us about the financing? How was it financed? Was it financed by the municipality? Was it financed by the state? Was it financed as part of a federal government initiative in the U.S.?

Mr. Travis Allan: It depends which case you're speaking of.

In Los Angeles, it was financed by the Bureau of Street Lighting, which is a municipal agency that controls the street lights. In the city of New York, it is a co-funded program by Con Edison, which is the local utility, and our company.

We've seen different models, many utility-owned models or municipal-owned models for Canadian deployments. In Canada, of course, there's very important support from Natural Resources Canada, which has done a lot to expand charging station deployment in Canada.

Mr. Majid Jowhari: Yes.

Richmond Hill is the recipient of 13 of those charging stations. I'm not sure whether they are coming from your company or not. This was great news not only for Richmond Hill, but also for York region, which is receiving a lot more.

In your point of view, do we need to have these charging stations ready in anticipation that the demand will come down the road? Should we wait for the electric vehicles, EVs, to get much cheaper, much more affordable, before we start putting in these charging stations?

What are your thoughts on that?

Mr. Travis Allan: If you survey people who are looking for new vehicles, they will overwhelmingly tell you that they will not buy an electric vehicle unless they see some way to charge it. In practice, most Canadians charge at home or at work most of the time, unless they live in a condo building or an apartment where it can be harder to charge. You find most charging happens at home and in the workplace, and those are really important areas to deploy.

People want to know that when they're going to their kids' baseball games or they have a long driving day after work they can get public charging. It's important to provide charging for people who are doing ride share or people who, as I say, live in condos and apartments.

What we find is that you really do need to build the base infrastructure to get mass adoption. It's actually one of the most important ways to transition the transportation system to clean energy.

• (1300)

Mr. Majid Jowhari: Great. Thank you for that.

In your opinion, what can the federal government do specifically, on top of everything that it's doing, to help build that infrastructure that you're talking about?

Mr. Travis Allan: The federal government plays what I would call a critical role in supporting the build-out of public charging through the EVAFIDI program and ZEVIP from NRCan. Those are

absolutely essential programs that have recently been expanded, and they play a role in making sure that all Canadians, not just Canadians in big cities or in particular regions, have access so that they can get the benefit of cheaper electric transportation.

In addition, we think there is a big role to play in government procurement because the government operates so many fleets.

I see that I am out of time. Thank you.

Mr. Majid Jowhari: Thank you.

The Chair: Thank you so much.

That ends our time for today.

I'd like to thank the witnesses for being with us, and for their excellent testimony. It's been very helpful for us in our study.

Of course, thank you to our IT crew, the folks in the room, our analysts and our clerk.

[*Translation*]

Again, I thank the interpreters very much for their hard work.

[*English*]

With that, I will call the meeting adjourned.

Have a good afternoon, everyone.

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