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Chair: Mr. Joël Lightbound



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• (1540)

[*Translation*]

The Chair (Mr. Joël Lightbound (Louis-Hébert, Lib.)): Good afternoon, colleagues. I call this meeting to order.

[*English*]

Welcome to meeting number 37 of the House of Commons Standing Committee on Industry and Technology.

Pursuant to the order of reference of Wednesday, June 1, 2022, the committee is meeting to study Bill C-235, an act respecting the building of a green economy in the Prairies.

[*Translation*]

Today's meeting is taking place in a hybrid format. Witnesses and members will therefore be participating virtually using Zoom. Everyone knows the rules, so raise your hand if you want to intervene.

Without further ado, it's my pleasure to introduce today's witnesses, who are taking the time to be with us today to talk about this important bill.

First up is Amarjeet Sohi, mayor of the City of Edmonton, who is participating remotely. Mr. Sohi is a former colleague. Welcome. It's good to see you.

[*English*]

We also have Justine Ness, president and chief operating officer of Safety First, who is with us in person here in Ottawa. Thank you for being here.

From Alberta Enterprise Group, we have Catherine Brownlee, president, who will be joining us at 4:30. We'll interrupt the question period and hear from Ms. Brownlee.

From Bioindustrial Innovation Canada, we have Meaghan Seagrave, executive director. From Fairness Alberta, via video conference, we have Bill Bewick, executive director. From the Saskatchewan Association of Rural Municipalities, we have Raymond Orb.

Thanks to all for being here. Considering that we have a lot of witnesses, we'll start without further ado.

[*Translation*]

Let's start with Mr. Sohi.

You have the floor, Mr. Mayor.

[*English*]

Hon. Amarjeet Sohi (Mayor, City of Edmonton): Good afternoon, everyone, and thank you for the opportunity to speak with you today.

My name is Amarjeet Sohi and I am the mayor of the city of Edmonton, Alberta.

Like many major cities in Canada, Edmonton is growing quickly and we are feeling the effects of the climate change crisis. It is our responsibility to work together towards solutions and to create action plans accordingly. This is why I am very excited to see the introduction of this bill, Bill C-235, by the Honourable Jim Carr.

The City of Edmonton supports the approach of local co-operation and engagement outlined in the bill and looks forward to being an active participant in the development of the framework. Municipalities are not specifically mentioned in clause 2, but we should be at the table as partners in this work.

The prairie region is very vulnerable to the impacts of climate change. Over the last 20 years, the insured costs of climate hazards in Alberta have been increasing. Since the 1990s, Alberta has experienced six out of the 10 biggest climate hazard insured losses in Canada.

The prairie region is warming at the fastest rate in Canada, outside of the Arctic region. This brings a high risk of flooding, a high risk of drought, and a high frequency of extreme heat events. Prairie cities will need to become more climate- and energy-resilient and we need to collaborate with all sectors and all orders of government to transition together. This transition will be a huge driver for job creation and economic growth.

The framework developed through the implementation of Bill C-235 will help prairie cities to proactively plan, collaborate and advance on employment and economic priorities that are intended to mitigate and minimize disruption from climate change. This work is happening at both the local and regional levels, and there are many opportunities, such as regional public transit programs, that can be built into this work.

I will give you a few examples of how the proposed federal framework aligns with Edmonton's strategic plans, and what we have already accomplished.

Edmonton's economic action plan sets the path of creating more jobs and more businesses, and it is purposefully designed to steer us towards opportunities in the green economy.

Edmonton's community energy transition strategy and action plan facilitates the growth of local green economic sectors, including renewable energy, green transit and construction, carbon capture and storage, and smart technology.

Since 2015, this strategy has already led to the city of Edmonton being on target to have 100% renewable electricity for its civic operations in the next few years; deployment of 60 electric buses, piloting of two hydrogen buses, and plans to deploy several hundred low-emission buses in the next decade; and development of district energy systems downtown and in the Blatchford community.

Collaboration with partners like the FCM and the Province of Alberta has resulted in Edmonton being the first large city in Alberta to have initiated a clean energy improvement program. Currently, three other Alberta municipalities have initiated their own CEIP, and 19 Alberta municipalities have passed clean energy improvement bylaws in preparation to start their programs.

As you can see, Edmonton and many prairie cities want to transition to a green economy. We are ready for this, and we need your help to be successful.

Another example is the role of partnerships and the great work being carried out due to the federal government's climate innovation fund, which has supported essential capacity building to better prepare Edmonton's real estate, building and construction industries to transition to a green economy.

The last city plan I want to highlight, which aligns with the proposed framework, is "Climate Resilient Edmonton: Adaptation Strategy and Action Plan", which was approved in 2020 and is Edmonton's approach to adapting to the impacts of a changing climate.

One of the first priorities being undertaken is the development and implementation of our flood mitigation plan, a \$1.6-billion investment plan that includes a combination of homeowner program, drainage systems improvements, green infrastructure and smarter stormwater networks that will allow Edmonton to anticipate and react to storms in real time.

Alberta will be home to some of the largest net-zero petrochemical manufacturing facilities in the world because of our provincial carbon offset framework, along with geological conditions that optimize for carbon capture and sequestration. One of the world's first net-zero hydrogen facilities will be located here in Edmonton by 2024.

I would be remiss not to advocate for policies that recognize decarbonization opportunities that align with the strengths of my region's economy. Becoming a carbon capture and hydrogen leader in the Prairies is not a given, specifically due to recent incentives of the Inflation Reduction Act that are creating more favourable conditions for those projects to be in the U.S. Canada can do more to increase the competitiveness of our hydrogen sector while increasing sustainable economic growth.

Prairie cities like Edmonton are ready to partner with anyone who will help us to build a new, inclusive economy. We're willing partners committed to being at the table, ready to work together. We will be involved in several different federal ministries, and the

framework will allow us that singular focus and a point of access that will build efficiencies and allow us to address these challenges faster.

Thank you so much for the opportunity.

• (1545)

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

We will now turn to Justine Ness. The floor is yours.

Ms. Justine Ness (President and Chief Operating Officer, Safety First, As an Individual): Thank you for having me on the Standing Committee on Industry and Technology.

For the purpose of context, I would like to provide you with a brief background.

I'm the president and chief operating officer of an oil field services company that was established in 1996. It's a second-generation, family-owned company. I also come from a farming family and we have two beautiful daughters who are the fourth generation on the family farm.

The oil and gas sector and farming have been the heart and soul of not only our family, but also the majority of Albertans, Saskatchewanians and Manitobans.

My business works closely with Canada's world-class energy sector and is proud to do so. As president and COO of a business that helps industry improve areas of reasonable quality and safety, I can attest to the high standards already enforced in Canada's oil and gas industry. Yet, we have our Canadian government, which fails to support our industry and which is not allowing us to succeed to our fullest potential. We choose to ship oil across our oceans and support countries like Saudi Arabia.

According to the international merchandise trade database, Canada imported from Saudi Arabia approximately 1.5 billion dollars' worth in 2020, and 3.5 million tonnes in 2021. Saudi Arabia does not produce oil ethically, has little to no human rights and no regard for the environment, whereas in Canada we have created a safety industry around the care and protection of our industry-leading workers. Let's first look to our own industry and support our own country, our own citizens and our own economy.

Every day we see innovations brought forward by Canadian energy producers and we see just how important they are to the economic and social fabric of western Canada. Hard-working men and women focus on delivering the world's safest, most ethically sourced and environmentally friendly petroleum products. It is deeply important that we recognize the power that people have to invoke change in our society and understand that we all have vastly different experiences. This is what makes Canada great.

Canada produces less than 1.5% of the world's greenhouse gas emissions. Of that, Canada's oil industry produces about 0.3% of all greenhouse gas emissions.

Let me be clear. My family and I have a great love for the outdoors and a great aspiration for a clean environment. It is very important that we protect it. I care about the decisions that are being made by the Canadian government. By adding red tape and buying fossil fuels from countries that do not take the same environmental protections as we do, we are supporting unsafe and environmentally damaging practices.

I fear that Bill C-235 in its current form will effectively harm the resource industry in Canada even further and rob the world of the energy securities it so desperately needs.

These policies have also had a frightening destabilizing effect on western democracies in Europe, making them vulnerable to Russia. We will still need oil and gas for the foreseeable future. With the invasion of Ukraine and Europe being held hostage to Russian energy, it has become clear that the world needs more clean, green Canadian energy. We need to be self-sustainable and able to rely on our own resources and our own infrastructure. We do not want to fall victim to energy insecurity the same way Europe has.

Canada has low-cost green energy solutions to prevent the current energy crisis. Alberta and our western neighbours are doing the greening of the economy already. We have solar and wind farms and carbon capture trunk lines, and we produce the cleanest oil and gas in the world. We have the largest coal reserves in the world for making clean, efficient coal gasification in the making of syngas.

Entrepreneurs and provinces do not need federal interference on how to run our industry. We all want the best for our environment for generations to come, but drowning this generation and the future in inflation and red tape is not how we prosper and promote innovation and our economic success.

- (1550)

Bill C-235, again, is another step by our government to kill an industry that would be needed well into the future—whether you want to hear that or not. Wind energy, solar energy and electric cars still depend on fossil fuels. Canadian entrepreneurs are best equipped to solve these problems. Not only does this bill fail to recognize the leaders in this field, but it does nothing but hold those innovations back.

I will leave you with this. We are shipping oil across our oceans when it is unnecessary, considering the abundance of our own resources. We are shipping 500,000 barrels a day up the St. Lawrence River to Quebec refineries, instead of using pipelines and building more pipelines, which are far superior for the environment.

I ask you, why are we continuing to fixate on the west? I strongly believe that if this government truly understood our resources and how they are being produced in the west, it would have a different outlook. I encourage you, and I invite you, to come and understand the truth about Canadian energy.

Bill C-235 seems to be a classic federal overreach, trying to dictate and influence these three western provinces. In simple terms, the federal government needs to step back. We are already a leader.

We need to start promoting it. We need to start educating people on the importance of our world-class industry.

Let's start by recognizing and supporting the world's greenest, safest, ethically produced oil right here in Canada.

The Chair: Thank you very much for your testimony, Ms. Ness.

We'll now move to Meaghan Seagrave from Bioindustrial Innovation Canada.

The floor is yours for five minutes.

[*Translation*]

Mrs. Meaghan Seagrave (Executive Director, Bioindustrial Innovation Canada): Thank you, Mr. Chair.

[*English*]

Thank you to the committee for the invitation to speak today.

My name is Meaghan Seagrave, and I'm the executive director of Bioindustrial Innovation Canada, also known as BIC.

Before going any further, I would like to acknowledge that I'm joining you today from the traditional, unceded and unsundered territory of the Wolastoqiyik, Mi'kmaq and Passamaquoddy peoples here in New Brunswick.

I'm happy to speak to you about Bill C-235. BIC supports this bill, as it complements our existing work as a not-for-profit and national business accelerator, focused on supporting developers of clean, green and sustainable technologies here in Canada. BIC is leading Canada's circular economy development as the only business accelerator in Canada focused on providing critical strategic investment advice and services to those businesses and developers in the green sustainable space.

BIC has a long track record of success in identifying and supporting early-stage clean-tech and clean energy companies, by focusing on helping them overcome hurdles to commercialization and allowing them to remain and grow here in Canada. BIC has been involved with companies in various sectors, from battery recovery and resource recycling to the identification and growth of value chains for the country's agricultural and forestry biomass.

To date, BIC has invested in 32 early-stage companies and fostered its own investment fund. In the process, our portfolio companies have created over 5,200 jobs and leveraged an additional \$350 million in third party investments. We're on track to document greenhouse gas reductions of over 13 megatons by 2030.

We understand that reaching Canada's net-zero targets will take a nationwide effort and concrete initiatives. The proposed framework that promotes economic sustainability, growth and employment in the Prairies aligns well with BIC's current mission to identify, support and grow sustainable business opportunities across the country. The Prairies have an abundant and sustainable biomass resource, which not only is foundational to Canada's food and protein production, but also provides the building blocks in terms of starches, fibres and oils that are critical to the production of bio-based products.

Bill C-235 has the potential to catalyze those opportunities, particularly those rooted in resource and industrial sectors. By ensuring improved alignment among stakeholders, this bill will further enable the region's green transition, focusing on the role of agriculture in the new prairie economy, as well as Canada's largest emerging circular economy.

This bill will support the building of value chains that connect Canada's agriculture and forestry biomass to the advanced manufacturing of biochemicals, biomaterials and biofuels used across a multitude of industries, providing alternatives for greener application in Canada's automotive, aerospace, construction and energy sectors and successfully stimulating a green economy while helping Canada move towards its net-zero targets.

In summary, supporting this bill will effectively support organizations like BIC by way of programs and products that support early-stage businesses and help them innovate and overcome commercialization hurdles.

Decarbonizing Canada's economy is a long-term objective. BIC wants to ensure that all regions get to benefit from a green economy, especially regions like the prairie provinces, with considerable promise to help Canada move towards its net-zero targets. This bill will help the Prairies attract additional investment and business opportunities while creating the jobs of the future for the region.

Thank you for your time.

• (1555)

[*Translation*]

The Chair: Thank you, Ms. Seagrave.

Next we have Bill Bewick from Fairness Alberta for five minutes.

[*English*]

Mr. Bill Bewick (Executive Director, Fairness Alberta): Thank you to everyone on the committee for the invitation to appear. It really is an honour to be here to share our perspective on this proposed bill concerning greening the prairie economy.

I'd like to start with Fairness Alberta's motto: "Proudly Canadian. Fiercely Albertan." We are a group of Canadians who believe that Albertans have not been treated fairly by federal economic and fiscal policies. We believe that by respectfully but assertively raising awareness across Canada about the basic facts of these policies, we can persuade a majority to support meaningful reforms.

On the economic side, environment policies around energy are by far the biggest pressure point. Many in Alberta even say that

federal policies are so consistently damaging to our natural resource development, and thus our long-term prosperity, that we'd be better off separating. But our members believe there are millions of fair-minded Canadians who just need to hear clear, positive and fact-based messages to understand the legitimate frustration in the west and join our call for policies that truly balance the environment and the economy. These policies should also respect provincial jurisdiction over natural resources.

With Russia's invasion of Ukraine exacerbating inflation pressures and making energy security a topic at the kitchen table, we think this is a critical time to shift opinions about Canada's role as a significant, safe and sustainable world energy supplier.

The bill under consideration has some laudable intentions. Certainly, there are green initiatives that are praiseworthy, such as the potential for federal involvement to stimulate an east-west electrical grid to move Manitoba hydro power west. Certainly, carbon capture and hydrogen plants are happening, and that's great, but the bill misses the mark in some important ways. The red tape that the bill would create is one concern. The bigger one is the focus on transitioning workers away from oil and gas development.

Existing federal policies that are in development and are already in place are, if anything, overly focused on emissions reductions insofar as the aggressive layers upon layers of taxes and regulations are clearly at the expense of the long-term prosperity of Canadians. Having the ministry devote more resources to new reports on greening our economy at the expense of growing our ability to increase responsible global energy security is entirely misdirected.

The biggest red flag in this whole bill is paragraph 3(3)(b), which calls for job "retraining in regions that rely on traditional energy industries to enable them to build a zero-emissions green economy". Instead of training workers out of the traditional energy sector, we should be adding more of these valuable workers to expand production. They're also needed for building hydrogen plants and carbon capture systems. The world needs our energy. We can be leaders in climate change mitigation while also expanding jobs in this vital industry.

Fairness Alberta recently launched what we call the “unjust transition” campaign to raise awareness and highlight just how unjust it is to transition away from Canada's oil and gas production. Oil production is expected to climb and then hold steady or slightly decline for the next 30 years. Europe has classified natural gas as green energy, since it is so much cleaner than the coal it displaces and is also vital to supplement intermittent renewables like wind and solar. Natural gas production is going to rise over the next 30 years. We're currently the fourth-largest producer.

As I laid out in a Toronto Sun column in September, if we aren't supplying oil and gas, it's just sending more sales, investment and revenue to Russia, Saudi Arabia, Iran and another dozen dictatorships. Twelve of the top 15 national reserves in oil and gas are rated “not free”. Why would we step back and let them thrive?

LNG is the obvious place we need to expand. We have an LNG graphic we use in our campaign, pointing east to energy security for Europe and west to slashing coal emissions in Asia. The moral imperative is clear: We have dropped this ball, and for the sake of energy security and the environment, we need to pick it up and make up for lost time, not retrain its workers.

With the shifting global scene, Canadians are likewise shifting their opinion on LNG. Among recently polled Quebeckers, 60% agreed that Canada should pursue LNG export. That means more workers, not fewer.

New investment in oil and gas brings prosperity and opportunity in particular to indigenous communities. It does it better than any other present option. True indigenous partnerships are now the norm in any new investments in the sector. These investments are going to create good-paying jobs in many communities across the Prairies and massive revenues to all orders of government.

• (1600)

There's obviously one big reason the federal government suddenly has a surplus, and that's oil and gas. Last we heard, a lot of eastern provinces really enjoy the large transfer payments that come from the productive parts of the country like Alberta. As we've pointed out before, Albertans sent a net \$600 billion more to Ottawa in the last 60 years than was spent back in Alberta. This golden goose can't be sacrificed without economic pain across Canada.

The bill's biggest flaw, then, is in calling on the industry ministry to focus on reporting how they plan to retrain traditional energy workers. It's insulting to Albertans and completely at odds with what Canada should do to help the world: namely, supply more of its energy to reduce global emissions as well as reduce the dependency of nations on petro-dictators.

Thank you very much for your time. I look forward to the question period.

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

We'll now move to Mr. Orb from the Saskatchewan Association of Rural Municipalities.

The floor is yours for five minutes.

Mr. Raymond Orb (President, Saskatchewan Association of Rural Municipalities): Good afternoon.

My name is Ray Orb. I am the president of the Saskatchewan Association of Rural Municipalities, known as SARM.

I was born and raised and live in the rural community of Cupar, northeast of Regina, which has a population of about 625 people.

I'd like to thank the Standing Committee on Industry and Technology for the opportunity to share our association's thoughts as it studies Bill C-235, an act respecting the building of a green economy in the Prairies.

Our membership is made up of Saskatchewan's rural municipal governments. SARM has been the voice of rural Saskatchewan for over 100 years. Today, I'll share the perspective of those we represent by sharing our thoughts on how the proposed bill would impact our livelihood in rural Saskatchewan.

SARM has considered the proposed legislation and does not support it. Upon review, we determined that it will not further the best interests of rural Saskatchewan.

The bill proposes that a consultation framework be built to facilitate the building of a green economy across all prairie provinces. It assumes the interests of all those residing in these provinces to be the same, and that simply isn't going to work. Issues facing rural Saskatchewan are unique to us.

Rural Saskatchewan's economic success and livelihood are a reality because of the uniquely rich and vast landscape it houses. It boasts a wealth of access to some of the most arable land for growing food and to resource-rich lands that house critical natural reserves that the world needs. This has allowed the agriculture, mining and energy sectors to flourish, sectors that could not flourish in an urban setting or, equally, in all prairie provinces. They need access to rural Saskatchewan's unique land base.

When rural Saskatchewan has a problem or requires federal or provincial collaboration, we would like to work with government directly. We don't want to be trapped in a bureaucratic framework that attempts to treat everyone the same. Some of our unique issues include making sure our key sectors aren't stifled by trade agreements, taxes and world politics, while also ensuring access to efficient rail, road and broadband and cellular infrastructure. Issues like the ones facing rural Saskatchewan are not necessarily shared by those living in Calgary, Winnipeg or even Saskatoon, Saskatchewan.

In rural Saskatchewan, we are making excellent headway on our own solutions for a greener economy, and we don't require a federal framework.

Saskatchewan has some of the greenest agriculture producers in the world. Most Saskatchewan cropland is zero-till. This means that our producers use a low-disturbance direct seeding system. Not only does zero-till agriculture sink more carbon, but it also reduces soil erosion and the amount of fuel required on farms.

The Saskatchewan Soil Conservation Association has been studying carbon sequestration for years. Through their research, they found that Saskatchewan producers sequester 9.64 million tonnes of new carbon dioxide every year over 28 million acres.

Our province announced its own target for renewable energy use in 2015 and set it at 50% by 2030. To help accelerate this target, SARM partnered with the First Nations Power Authority to provide a tool to help our municipalities and first nations navigate the site selection process for renewable energy projects.

As you can clearly see, rural Saskatchewan has unique issues and is already implementing unique solutions, so SARM is opposed to this bill. In essence, this new legislation would try to implement a one-size-fits-all framework that is not going to work.

In closing, on behalf of Saskatchewan's RMs and rural Saskatchewan, I thank the standing committee again for the opportunity. I look forward to continued dialogue and to the upcoming question period.

Thank you.

• (1605)

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

Thanks to all of our witnesses.

We'll start the discussion with MP Stubbs.

Welcome back to the committee. The floor is yours for six minutes.

Mrs. Shannon Stubbs (Lakeland, CPC): Thank you, Chair.

Thanks to all of the witnesses for being here today.

Justine, thanks for setting the record straight on oil and gas, and on Alberta. I want to thank you for being here on behalf of your family and your various businesses. I hope that you get the chance to deliver more of your messages to combat these myths about both Alberta and the Canadian energy sector—we have much to be proud of.

Mr. Orb, I entirely agree with your point about the uniqueness of our provinces. As a rural MP, I'm quite confident that you've certainly summarized what I would expect to be the universal, overwhelming majority view of elected rural representatives right across the province of Alberta.

Time being what it is, I will focus my questions on Dr. Bewick. Thank you for being here today to participate.

I have to say, it's pretty wild to hear a former Liberal minister supporting another former Liberal minister's initiative seven years

into an existing government about the importance of consulting the Prairie provinces. This is while talking about initiatives that have of course already all happened without the need for this one-size-fits-all, "Ottawa knows best" bureaucratic framework.

Dr. Bewick, I agree entirely with the point you made that this bill is fundamentally insulting to Albertans. I wonder if you might want to expand on issues around fracturing national unity and western alienation, which have been a consequence of this government's anti-energy legislation and regulation. Perhaps you want to share some thoughts in that context about this bill. Also, do you have anything else to say about Alberta and Canadian oil and gas being leaders in environmental stewardship?

Mr. Bill Bewick: Sure. Thank you.

I get the sense that the bill is trying to ensure that the west gets its share of spending and attention in the decarbonization efforts, but the direction of the spending is problematic.

When anybody hears "retraining workers", whether it's the cod fisheries or various sectors in the past, that basically means the government is saying, "We're going to regulate your company or industry out of business, but we'll retrain some of your workers and hopefully they'll be okay." Prairie communities know this will hurt them. It shouldn't be in this bill. Look at the cod fishers in Newfoundland or even the coal workers in Alberta right now. You can't just retrain people to jump into new jobs that will last for 20 years. If you announced that you're going to retrain auto workers in Ontario or dairy farmers in Quebec, you wouldn't get a thank you in response; you would get a panic.

As I've explained, the world really needs our valuable resources more than ever. In addition to the direction being misguided, because it's trying to transition away from this super valuable resource that the world needs more than ever, it also intrudes on our provincial management of resources. It's not just that the federal policies are misguided; it's that they really shouldn't be the ones making some of these decisions. Our Constitution makes it clear that the provinces have the jurisdiction over their resources. These policies are severely impacting our ability to develop them. Provinces recently unanimously joined a challenge of Bill C-69, and the carbon tax was hotly contested in the courts by many provinces.

I did a political philosophy Ph.D. There's a famous change that happened in the Enlightenment. Thomas Hobbes said that the government's role is to keep you safe, and you should obey it as long as it's keeping you safe. Then John Locke came in and said, well, unless the government's taking your property and making it so that you can't make a living. That's also grounds for speaking up and demanding better.

This isn't just a difference of opinion on a political issue; it's a clear attempt to throttle the largest economic sector in the Prairies. That will impoverish us in particular, but it will also impoverish all of Canada. We have to stop talking about transitioning away from oil and gas and start talking about the opportunities for oil and gas to provide immense prosperity for Canadians, help with energy security and help our European allies get out from being under the thumb of Vladimir Putin and Middle East dictators.

If you really care about the environment, the single greatest thing Canada can do to reduce emissions is to get LNG flowing in copious amounts off our west coast so that China isn't producing...all these coal plants it's building. China has announced new coal that will double the oil sands emissions. They announced that in 2020. That's just their new coal. If they were doing LNG instead of that, it would be 50% less in emissions, and much less in other things that are emitted by coal. In particular, the emissions would be reduced by 50%. That would save the entire oil sands, if we could replace their coal with our LNG.

It's becoming more obvious. It's obvious to lots of western Canadians. As I said, 60% of Quebecers agree that we should be doing LNG. This whole notion that we should be transitioning away from gas is wrong. It's offensive, and it is leading to people wanting to say, "If we can't even produce our resources, why should we be in this country?" We're trying to prevent that. It is an understandable sentiment, and people need to take it seriously.

• (1610)

Mrs. Shannon Stubbs: Yes, it's a bit like talking to a brick wall repeatedly.

Dr. Bewick, you focused on paragraph 3(3)(b) but I wonder if you have any thoughts on any other clauses or if you think there are other priorities that the bill could have, or should have, addressed instead.

The Chair: Unfortunately, Mr. Bewick, we're out of time. It's a very pertinent question, but hopefully you'll get some more time in another round to answer that very important question.

We'll now move to MP Erskine-Smith for six minutes.

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

I actually want to continue with Mr. Bewick. I was big into political philosophers, although more John Rawls than John Locke, but I appreciate the reference.

I want to start with an area of common ground, because I actually really appreciate your testimony. The testimony from Safety First also emphasized that a barrel of Canadian oil is unquestionably better from a social and environmental perspective than a barrel of oil from Saudi Arabia. As a Liberal in Toronto, I think that's exceedingly obvious and I would agree.

I wonder if I could get your agreement on something else. While there are opportunities in the short term, certainly with respect to displacing unethical oil elsewhere, when we look at the longer-term challenge, there are companies, from FedEx to Shell, that are making net-zero commitments by 2050. I wonder if you would agree that the world needs to get to net zero by 2050.

• (1615)

Mr. Bill Bewick: The oil sands companies have said they will get to net zero by 2050. I think there are a lot of places where net zero could make sense, but net zero is extreme. It's a—

Mr. Nathaniel Erskine-Smith: Let's pause.

The energy sector, the companies that have committed to net zero by 2050, do you think that is an extreme commitment by those companies?

Mr. Bill Bewick: It's a very ambitious commitment. With something like the oil sands, given the opportunities they have to sequester and put in the infrastructure that could be required to achieve that, I believe them that it's attainable, but to expect a net-zero economy overall is extremely ambitious and will no doubt be extremely expensive. There are a lot of places—

Mr. Nathaniel Erskine-Smith: Let's pause there.

I think you're right that it's ambitious. I would also say it's ambitious but necessary.

I'm no expert, so let me read from the International Energy Agency's net-zero report. They say, "Changes in energy consumption result in a significant decline in fossil fuel tax revenues." So that's a challenge on the government side, but it works on the production side.

Yet annual per capita income from oil and natural gas in producer economies falls by about 75%, from USD 1,800 in recent years to USD 450 by the 2030s, which could have knock-on societal effects. Structural reforms and new sources of revenue are needed, even though these are unlikely to compensate fully for the drop in oil and gas income. While traditional supply activities decline, the expertise of the oil and natural gas industry fits well with technologies such as hydrogen, CCUS and offshore wind that are needed to tackle emissions in sectors where reductions are likely to be most challenging.

With or without us, demand is going to significantly change. In their analysis, coal demand declines by 90% in 2050, oil demand declines by 75%, and natural gas demand declines by 55%. If I care about jobs—the workers you care about too—I'd care about fairness for the workers in Alberta unquestionably. I really appreciate the advocacy of my colleague, Shannon Stubbs, on this front.

What I worry about is that we look at a short-term perspective, but when we look at the long-term perspective, there is going to be a transition with or without us. If we care about jobs and workers, why wouldn't we want to look at a green energy economy, a green innovation economy, a green economy overall and ask how we can best support workers going forward, not just in the short term, but in the long term?

Mr. Bill Bewick: I have never heard reduction estimates for 2050 on that scale.

Mr. Nathaniel Erskine-Smith: That's not me. That's the International Energy Agency.

Mr. Bill Bewick: The International Energy Agency says it will plateau at about 100 million barrels a day for the next 30 years. Oil is going to decrease slightly depending on how aggressive people are with new technology—

Mr. Nathaniel Erskine-Smith: What I've just read to you is the International Energy Agency's net-zero report. The very oil companies that you're saying we're holding up as a standard.... They're great Canadian companies, which I think absolutely have much higher ethical and sustainable values than regimes around the world—unquestionably so. I agree with you there.

The very companies that are committed to net zero.... We now have the International Energy Agency saying, "Here's our net-zero report, and here's our analysis for net zero." These are their numbers. If we take these numbers seriously—

Mr. Bill Bewick: Those are their numbers if people pursued net zero around the world, but the world isn't doing that.

Mr. Nathaniel Erskine-Smith: But that's the core question.

Mr. Bill Bewick: While we throttle our sector—

Mr. Nathaniel Erskine-Smith: I'm sorry, Mr. Bewick. If you don't agree with net zero, then you and I are not going to come together on this.

You're going to disagree with the bill, and I'm going to say the bill is maybe a good idea. Mr. Sohi is going to say we need support for a net-zero economy. Meaghan Seagrave is going to say that we believe in a net-zero economy, that there are jobs here, and that we're going to create jobs for a net-zero economy. It sounds to me like you said, initially, that it's ambitious but you believe it in, but now you don't believe in it.

Ms. Seagrave, I want to move to you. You believe in a net-zero economy. Are there jobs in a net-zero economy?

Mr. Bill Bewick: Do I not have a chance to answer that? You put words in my mouth.

The Chair: I'll give Mr. Bewick 30 seconds to respond. Then we'll go to Ms. Seagrave, and that's going to be it.

Mr. Bill Bewick: While we go back and forth raising cost immensely, and reducing our production and international clout, China and other countries are laughing at us. They have no intention to pursue this. If you don't want to be the one who is producing the energy that the developing world needs to get to our standard of living, then you're right that we don't agree.

Mr. Nathaniel Erskine-Smith: It's a disagreement around net zero. You functionally don't believe in a net-zero economy by 2050, and I do.

• (1620)

Mr. Bill Bewick: Do you mean for the world? No. That's laughable for the world.

Mr. Nathaniel Erskine-Smith: That's the answer I wanted. Thanks very much.

Ms. Seagrave, do you believe in a net-zero economy by 2050?

Mrs. Meaghan Seagrave: I do.

Mr. Nathaniel Erskine-Smith: Me too. Thanks very much. I appreciate it.

The Chair: Thank you, MP Erskine-Smith.

[*Translation*]

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

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

Mr. Bewick, you talked about Albertans' desire to be independent. I'm curious. If Alberta were to vote for all its own laws, sign all its own treaties, collect all its own taxes and invest that money in all its own priorities, how would that help you build a society that reflects who you really are?

[*English*]

Mr. Bill Bewick: We are a proudly Canadian organization. I'm merely sharing the sentiment that is real here in Alberta, so I'm not going to speculate on what a sovereign Alberta would look like.

[*Translation*]

Mr. Sébastien Lemire: Do you think peoples' frustration is due to the fact that economic decisions take the GTA's needs into account more so than those of more rural regions?

[*English*]

Mr. Bill Bewick: It is certainly the case that Alberta is under-represented in the House of Commons. It is difficult to have only 11% of the seats but to be expected to bear much more than 11% of the cost for some of these national initiatives. Yes, that's very frustrating.

[*Translation*]

Mr. Sébastien Lemire: If you were in government, what would you do to make sure Alberta's economic development was consistent with what Albertans want?

[*English*]

Mr. Bill Bewick: It would be pursuing more efficient and greener oil and gas, because that's the valuable commodity that the entire world is clambering for, and we should be the ones producing it. We are producing it more efficiently every year. The emissions per barrel have dropped 20% in the oil sands in the last decade. There is talk now about net zero, putting in carbon capture, and coming up with green sources of energy inputs. That's all great, and that should be supported, but we should stop talking about shutting the industry down and transitioning away from it, because the world needs it for the next 30 years.

[*Translation*]

Mr. Sébastien Lemire: You mentioned green oil and gas, as did Ms. Ness.

What is green oil and gas? It seems to me that petroleum products are petroleum products which, by definition, produce carbon. Isn't that so?

[English]

Mr. Bill Bewick: It depends how you burn it, but yes.

[Translation]

Mr. Sébastien Lemire: Compared to other production methods, extracting oil and gas from the oil sands is one of the most expensive and most polluting methods.

What is green oil and gas?

[English]

Mr. Bill Bewick: It's not the highest-polluting, but it is one of the more emission-intensive by a fraction. It's also currently on its path to net zero. I think that's something people should support more, because I guarantee the producers in Russia and Saudi Arabia care nothing about net-zero production.

[Translation]

Mr. Sébastien Lemire: Obviously, I support research and investment aimed at a better energy transition. That will enable us to set greener industrial and ecological goals.

You talked about Ukraine. If we wanted to extract more of Alberta's natural gas and send it to Ukraine, that can't happen with existing pipelines. How long would it take to build a pipeline and an LNG plant and send it to European countries? Fifteen years or so?

[English]

Mr. Bill Bewick: No. I've heard five or six at most. If you do it from the existing pipes that are near the Maritimes, it could be... The U.S. is building liquefaction plants in about 12 months.

• (1625)

[Translation]

Mr. Sébastien Lemire: Do you think there will still be a war in Ukraine five years from now?

[English]

Mr. Bill Bewick: I hope it's not around in 12 months, but the fact is that Europe is building LNG reception plants right now because they know that's the future they need, both as a cleaner source than coal and to help make their variable or intermittent renewable sources more reliable. Gas is great, because you can turn it right on as soon as the wind dies or the sun goes down. That's why they call it green energy.

[Translation]

Mr. Sébastien Lemire: You say that 60% of Quebecers support LNG exports. What is your source?

Before last Monday's election, the Coalition Avenir Québec government rejected GNL Québec's proposal. Were you surprised that Quebecers re-elected that government, which won 70% of the seats? That means Quebecers support that environmental measure.

[English]

Mr. Bill Bewick: I think the platform of the CAQ was much broader than just that. I'm assuming they got elected for many different reasons, and it's always dangerous to put one specific platform commitment as the reason for support.

I hope they take a hard look at the possibilities Canada can have in helping the world, both in humanitarian and environmental aspects, and realize that Quebec could be a major player with its own natural gas reserves and could create a lot of jobs and prosperity for Quebec.

[Translation]

Mr. Sébastien Lemire: Thank you for answering with such sincerity.

The Chair: Thank you, Mr. Lemire.

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

[English]

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Thank you.

I'm going to turn to Mr. Sohi. It's good to see you again, Mr. Sohi. I think the last time I saw you before committee was in natural resources. Mrs. Stubbs was there too, so it's a bit like old times.

Thank you for bringing up the topic of climate adaptation. We have had a series of serious weather events in Canada. Hurricane Fiona hit the Atlantic provinces, with damages that will probably end up in the billion-dollar range or more. We had a massive derecho thunderstorm in the spring, tracked from Windsor to Quebec City, which caused similar amounts in damages. I'm from British Columbia, where we had a horrific summer last year, with a heat dome that killed over 600 people and fires that destroyed towns, etc.

There's a brand new report out recently from the Canadian Climate Institute that really goes in depth on the financial impact of climate change on Canada. Just in the short term, in 2025, they're predicting that we'll add \$25 billion of extra costs to the Canadian economy, and that will rise to \$100 billion annually by 2050.

It all comes down to the fact that we have to get serious about climate adaptation. We're living this right now.

You mentioned what Edmonton is doing. Could you expand on what the City of Edmonton is doing, and what kind of help they're getting from other levels of government? Right now, I think the federal government is woefully inadequately funding climate adaptation to help communities like yours and smaller communities, like the ones mentioned in Saskatchewan.

Hon. Amarjeet Sohi: First of all, it's nice to see all of you.

I really appreciate your question. Not only are we going to lose our GDP because of the impact of climate change, but there's also an added pressure on local governments to pay for the adaptation cost of increased flooding, for example. Our city will need close to \$1.6 billion in additional resources to upgrade the drainage and stormwater infrastructure over the next number of years.

I believe the federal government is serious about being net-zero by 2050, but I also believe that the federal government will not be able to achieve that if municipal governments are not seen as partners, because that's where the emissions are. Emissions are in municipalities: 30% of a city's emissions are in transportation, and another 20% are in buildings.

If you are not greening municipal infrastructure, and if you are not helping to convert old buildings into better and more efficient buildings by retrofitting them to be more energy-efficient, the federal government will never meet that target. We can all talk about it, but I think it's very important for the federal government to see municipalities as equal partners and to work directly with us in implementing some of those choices and strategies that will help to reduce emissions and create jobs.

I'll give you an example. We have a very ambitious plan of retrofitting homes, commercial buildings and industrial buildings, but we need close to \$100 million of annual investment in order to do that. We need to facilitate investment from the private sector and the public sector. We cannot do that on our own, so that's why it is important that clause 2 include municipalities as partners, so that we are given better tools in order to achieve those targets.

• (1630)

Mr. Richard Cannings: Thank you.

You were also talking about transit investments. You mentioned buses. I wonder if you could perhaps expand on the bus story.

Hon. Amarjeet Sohi: Yes.

Mr. Richard Cannings: For instance, are those buses being made by New Flyer in Winnipeg? What sorts of jobs are they creating there? What sorts of impacts will they have in cities across Canada?

Hon. Amarjeet Sohi: We have close to 700 buses. We converted about 60 of them into electric buses with support from the federal government, but we have a long way to go. They are New Flyer buses. Some are manufactured in Canada. Some are manufactured in the U.S. We are currently testing two hydrogen buses that are made by New Flyer, but unfortunately they are built in the U.S. We were talking to New Flyer when they were here last week, and if we are able to transition and to do it quickly, they will start manufacturing those buses right here in Canada in their existing plants, which are local jobs.

Retrofit jobs are local jobs as well. These are jobs for plumbers. These are jobs for insulation inspectors, for roofers and for installing solar panels and everything else. These are all local jobs that we can create by investing in the local economy and the greening of our infrastructure to help us achieve those targets.

Mr. Richard Cannings: How are you—

The Chair: Mr. Cannings, I'm sorry. Your time is up.

Mr. Richard Cannings: Thank you, Mr. Sohi.

The Chair: Before going to the second round of questions, we have the pleasure of having with us Catherine Brownlee from Alberta Enterprise Group, who has just joined us in committee.

Welcome. I will cede the floor to you for five minutes for your opening remarks, and then we'll return to questions.

Ms. Catherine Brownlee (President, Alberta Enterprise Group): Thank you.

Greetings. I am Catherine Brownlee. I was raised on a farm in central Alberta, guided by parents who strived to ensure safety for their children while instilling the belief that serving and supporting others would contribute to a strong economy and grow a robust community. As a member of Alberta Enterprise Group, or AEG, for more than six years, and now the president, I can attest that my parents' philosophy and traditional mindset holds true today.

As a leader of AEG, I wish to introduce, demonstrate and underscore the efforts and successes that we as a collective entity, combined with Alberta as a whole, have accomplished locally and on the world stage. I am proud to state that AEG members employ more than 150,000 Albertans and generate billions in economic activity each year.

The AEG formed in 2007, when a group of business leaders banded together to create an ambitious new business advocacy organization striving to make Alberta a better place to live and do business while generating prosperity for all Albertans. We inform public policy-makers on complex and challenging issues facing the province and the country by stimulating and guiding the business climate and subsequently perpetuating real and necessary changes, the value of which benefits the entire nation and the globe.

As a province, Alberta is on the leading edge of some of the most influential and beneficial programs designed to minimize the grave effects of climate change while restoring confidence to local and global markets, and primarily to Albertans. For example, over the past three years, Alberta has invested over \$1 billion from the technology innovation and emissions reduction fund to support clean technology development and innovation. Alberta is on course to fully transition away from coal-powered electricity by the end of 2023, seven years ahead of the federal target. In fact, as of January 1, 2020, the Alberta emissions offset system has enabled oil and gas operators to voluntarily switch to low- or zero-emitting devices that will result in reductions of almost two megatons of CO₂ equivalent.

Advocating for issues that significantly impact the current and future economic climate of our province is a challenge that few have embraced. As a small trading jurisdiction, but geographically in the heart of the matter, Alberta must persevere as an active player on the national and international stage. The best way to maintain our competitive position is to build bridges to new markets, to welcome those wanting to invest, and to be active and present wherever Alberta's interests are in play. An example is the baseline and reduction opportunity assessment program, which provides \$10 million in funding to support small and medium-sized oil and gas operators to conduct detailed assessments of methane reduction opportunities and fugitive emissions.

As a result of technological innovation, Alberta's oil sands producers have reduced emissions per barrel by 36% since 2000, 22% over the past decade, with leading producers on track to another 16% to 23% cost reduction over the next 10 years. New methane regulations set a target to reduce emissions by 45% by 2025.

AEG has delivered the Alberta business story to thousands of influencers and decision-makers at all levels of government. Our outreach missions to Washington, Ottawa, Montreal and Switzerland continue to broadcast the value of Alberta business to the world. With this comes education and sound leadership.

Regarding inactive and orphaned sites, Alberta established the site rehab program using \$1 billion of federal COVID-19 funds designed specifically to reduce insolvencies within the oil field service sector while generating employment to a broad scale of professionals. This past spring and summer, Alberta made major adjustments to the levies and new policies on mandatory closer targets.

As an organization, AEG has an extensive track record of promoting the province as an investment destination, telling the Alberta story and building networks of support for increased economic development and co-operation. We remain on the front of all matters of business and economy for Alberta. We are clearly Alberta's most powerful and fully engaged business network.

• (1635)

As I hope I have outlined to this committee, Alberta businesses are on the cutting edge of technological innovation, emissions reduction, and green innovation. Given that Alberta is already a leader in this field, it does cause us to wonder as business leaders what the positive impact would be of another Ottawa-based framework, as proposed in this bill.

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

We'll now to move to MP Steinley, for five minutes.

Mr. Warren Steinley (Regina—Lewvan, CPC): Thank you very much, Mr. Chair, and thank you to all the witnesses for being here.

Set aside for a second the fact that this bill is an "Ottawa knows best" approach to a blanket solution to three very different provinces, which they are calling "the Prairies", lumping everyone in together.

When the sponsor of the bill, Mr. Carr, was here at committee a while ago, he was asked if he consulted with any provincial governments or municipal governments before he put this bill forward.

My question is for the president of SARM, Mr. Orb. It's good to see you. Did you have any consultations with the federal government before this bill was brought forward to the committee and the House of Commons?

Mr. Raymond Orb: Thanks for the question.

No, Mr. Steinley, we didn't have any contact with Mr. Carr. I can say that I've met Mr. Carr on several occasions, and I have a lot of respect for him, but he did not consult with us on this bill.

Mr. Warren Steinley: From the opposition's point of view, that's a very big concern. First and foremost is the fact of what this bill is going to do, in effect, in Alberta, Saskatchewan and Manitoba. No one in Alberta, Saskatchewan and Manitoba was consulted before this bill was brought forward, which is very alarming.

I would like to make a second point. My friend from the Bloc was saying that oil is oil. I'd love to hear Justine Ness's comment on that, because I don't believe oil is oil. I believe Canadian oil is more ethically produced and more environmentally friendly. I believe our oil is better for Canadians, because it actually gets money back into our economy.

I'd like to hear a comment from Justine about "oil is oil".

• (1640)

Ms. Justine Ness: I absolutely agree. Supporting our local economy, our Canadian economy, over sourcing it from outside, and then trucking it in or shipping it in, is obviously a much better choice in keeping our local industry thriving. I do believe that it is a cleaner source to provide it within and support our own country, as opposed to bringing it from across the seas.

Mr. Warren Steinley: Thank you very much. I couldn't agree more.

If you follow the environmental footprint of oil that is brought into Canada from Saudi Arabia, Russia or other jurisdictions, that environmental and carbon footprint would far outpace anything that's done in Saskatchewan with Canadian environmental standards, plus our workers are treated much better. We'll always stand up for the hard-working men and women in the oil and gas sector. As Conservatives, that's something we are very proud of.

I want to go back to the conversation between my friend Nathaniel Erskine-Smith and Bill Bewick. That was an interesting conversation where you could really look at an easterner's and a westerner's point of view. I'd like to have Mr. Bewick finish his comments about the fact that net zero is a very ambitious goal in Canada.

What does it mean if all other jurisdictions, including some of the bigger polluting jurisdictions like India, China, Russia, and right now America, are not having the same focus on net zero as Canada? Aren't we just cutting off our nose to spite our face?

Mr. Bill Bewick: I understand the value of being a world leader, but if nobody is following, then you're imposing all these costs on yourself while none of your competitors, and none of the much larger emission countries, are doing much about it.

I notice the U.S. has decided it is definitely not doing a carbon tax, so that should send a message to us about whether that's the right way to go for Canada. As you said, Asia.... It's not necessarily sinister. They legitimately have a billion people in China and a billion people in India. Hundreds of millions of those people are trying to have a better life, which includes some of the things we take for granted. They just want a kind of middle-class existence like us, and that takes energy.

Right now, there's no alternative for them that is adequate, and there's nothing as efficient and effective as oil and gas. The one they're turning to is coal. That's not exactly the solution we would all be looking for, I don't think. Instead, we should be the foremost provider of those energy sources for them, keeping in mind that it's good to lead by a little bit, but once you lead too far out, you're basically leading a parade by yourself.

We need to take a dose of reality and keep our ambitions, goals and targets in line with what the big countries in the world are doing.

Mr. Warren Steinley: Thank you very much.

Yes, sometimes one-car parades are very lonely situations. I think that's where the federal government is, at this point.

I'll end with this. The fact is that Canadians want to have Canadian oil in their vehicles. They want to have that environmentally friendly oil that actually helps our hard-working men and women in the oil and gas sector.

Mr. Orb hit on the fact that our Canadian agriculture is the most environmentally friendly in the country, as well. One thing that's very disappointing in this bill is.... They mention a bunch of different ministers in this piece of legislation, but they don't mention the agriculture ministers from Saskatchewan, Alberta or Manitoba. When I saw that, it was a very big disappointment for me, because agriculture should always be at the forefront when we're talking about western Canada—Manitoba, Saskatchewan and Alberta. It was totally missed in this bill.

Those are some of the reasons why I don't think we can let this bill proceed. It's not going to reach the targets and make the country greener. It's just going to hurt us in the long run.

The Chair: Thank you, Mr. Steinley.

We'll turn back to Mr. Erskine-Smith for five minutes.

Mr. Nathaniel Erskine-Smith: Thanks very much.

I want to get back to this idea of an energy transition, because this is not a partisan issue.

I'm going to read from the Alberta Geological Survey, part of the Alberta Energy Regulator. This is on their website:

Critical minerals are the minerals essential for sustainable economic success, economic security, the energy transition, and a reliable resource supply chain.

They are referencing the energy transition.

I wonder if we can start with Safety First and Ms. Ness.

What is the Alberta Geological Survey speaking to when they talk about "energy transition"?

• (1645)

Ms. Justine Ness: I would assume we're all trying to find the greenest solutions to move forward on, because everybody's worried about climate change, and rightfully so.

However, we have to make sure it is reasonable. Having that transition is a great initiative, but it is proceeding at a pace that is—

Mr. Nathaniel Erskine-Smith: Let's pause. There's no timeline in this bill. This bill is specifically saying we need to support the Prairies and, of course, this energy transition—which, by the way, the Alberta Geological Survey and the Alberta Energy Regulator are, themselves, identifying.

I want to go to the Alberta Enterprise Group and Ms. Brownlee.

Do you support this bill?

Ms. Catherine Brownlee: No, we do not support it.

Mr. Nathaniel Erskine-Smith: Could you reference the specific section of the bill you disagree with?

Ms. Catherine Brownlee: It's the entire thing. I see it as a framework to create yet another layer of bureaucracy. I don't—

Mr. Nathaniel Erskine-Smith: What bureaucracy do you mean, though?

I want to get to this, because Mr. Bewick talked about red tape, too.

The government is going to create a framework, and the framework is going to require consultation with the relevant provinces. What red tape and bureaucracy does it create for a business? This is presumably creating a framework for government policy action, so what bureaucracy is this going to create for a business in Alberta? Point me to the section.

Ms. Catherine Brownlee: Is that still directed at me?

Mr. Nathaniel Erskine-Smith: Yes.

Ms. Catherine Brownlee: Thank you.

Specifically, we're creating yet another layer of reporting, so the red tape you're referring to.... I think that's exactly what this is.

We're already doing all these great things in Alberta now. I've already referenced them in my five minutes. We've constantly been doing that. My first job in oil and gas was in environmental sales, and that was 30 years ago. We've been doing this all along.

Mr. Nathaniel Erskine-Smith: If this were business reporting, I could understand it would be an imposition on, and obligation for, businesses. This is the minister reporting to Parliament. What red tape does that create for a business?

Ms. Catherine Brownlee: The minister would need to receive something from all businesses to have that reporting. It always starts with the business. We are going to have to report yet another layer of information. The red tape you referred to—

Mr. Nathaniel Erskine-Smith: There's no obligation for business, though.

Could you point to that? I'm very interested in the specific section, because we're here to amend and improve the bill, or decline the bill if there are particular sections that are so problematic that they can't be improved.

Could you follow up in writing with the specific sections you think you're challenged by?

Ms. Catherine Brownlee: I would be happy to.

Mr. Nathaniel Erskine-Smith: With the final minute I have....

By the way, Mr. Orb, I appreciate your comment about zero tillage, because, while I'm an urban MP, when I met my wife 18 years ago.... She's from Camlachie, Ontario, and I would take the train to visit her. My father-in-law still lives on the family farm. It's been in the family since 1834. I met a farmer on the train who told me all about no-till farming 18 years ago. I had something to talk to my father-in-law about after that train ride.

When you say it's a one-size-fits-all approach.... I think amending the bill to include municipalities, as part of the consultation processes that Mr. Sohi suggested we do, sounds eminently reasonable. Why wouldn't you foresee an alternate approach? We could consult with municipalities, both small and large, and say, "Here's our framework." The framework would have a section for smaller municipalities and a section for larger municipalities. Why couldn't the framework accommodate many different approaches, depending on the sector and the size of the municipality?

Mr. Raymond Orb: Well, just to make it clear, and I appreciate the question, SARM represents rural municipalities in Saskatchewan, but we also have a mandate in agriculture. The idea is that it would always be a good idea to consult with people ahead of time. In this case, agriculture needs to be consulted as well, and I think that point was made.

We did notice as well that the Minister of Agriculture wasn't included in the preamble of the bill, and that raises a concern for us.

• (1650)

Mr. Nathaniel Erskine-Smith: We'll fix that, Mr. Orb. I really appreciate the feedback.

Mr. Raymond Orb: Yes. That's a concern.

Mr. Nathaniel Erskine-Smith: I also think, by the way, and I say this as someone who cares about the future of food, that in Saskatchewan, you guys are going to be a superpower in the future

of food, in pulses and everything else. I appreciate the work that you do.

Thanks very much for your time.

Mr. Raymond Orb: We actually are already. I think we are a superpower. It's true.

The Chair: Thank you.

[*Translation*]

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

Mr. Sébastien Lemire: Thank you, Mr. Chair.

Ms. Seagrave, in 2009, Stephen Harper pledged to end fossil fuel subsidies on the grounds that they did not work. Since then, however, oil companies have been getting more and more assistance.

How do you think fossil fuels on the prairies would survive without government support? Isn't it time to begin a real energy transition?

[*English*]

Mrs. Meaghan Seagrave: Thank you so much for the question.

We've been collectively subsidizing the oil sector for decades. Maybe to drill down a bit into the point that I think you're trying to make, to me this bill is not about defunding oil and gas. This is about prioritizing clean energy and green tech, and about competitiveness for Canada. There seems to be a consensus across the board here with regard to the questions that are coming not only from the members of Parliament but also from the witnesses.

Canada needs to remain competitive with other jurisdictions in all sectors, including oil and gas. This bill is helping to lay a bit of a foundation to do that, because we're missing the boat. If we look at what's happening in the U.S. with regard to the Inflation Reduction Act, the climate-smart commodities investments, the bioeconomy and global competitiveness investments, we're losing ground.

To go back to your question, this isn't about defunding oil and gas or taking away subsidies to that sector. It's about helping increase our competitiveness moving forward.

[*Translation*]

Mr. Sébastien Lemire: Thank you.

On September 22, Jim Carr appeared before this committee. In response to a question, he said the model for this bill was not exclusively regional or specific to the prairies, but could be a good example for other parts of the country.

Do you think Canada would benefit from establishing an economic cooperation framework in other regions too?

[English]

Mrs. Meaghan Seagrave: I think all regions need to move toward net zero. You're an MP for the region of Quebec. Quebec is probably the next logical choice for developing a framework similar to this.

[Translation]

Mr. Sébastien Lemire: Thank you.

The Chair: Thank you, Mr. Lemire.

Mr. Cannings, you have the floor for two and a half minutes.

[English]

Mr. Richard Cannings: Thank you.

Ms. Seagrave, you mentioned in your opening remarks how many jobs the companies you've been involved with have created. I think it was 5,200. That's obviously a small fraction of the clean-tech green jobs in Canada. Do you have any idea how big that clean-tech sector is in Canada and what the projections are for job growth there?

Mrs. Meaghan Seagrave: That's actually a great question. Stats Canada has had a hard time mobilizing the numbers around exactly what clean tech entails, because all sectors and all industries are actually doing clean tech in some way, shape or form. That goes back to the adaptation and adoption of technologies to help reduce things like water use, energy consumption, you name it.

With regard to the 5,200 jobs that the companies we've invested in have created, those are all HQPs, or highly qualified professionals. These are individuals with a multitude of university degrees in engineering, science, business, you name it. Without knowing the exact numbers of jobs that are represented by the "clean-tech" sector in Canada, I would say that it's significant and is only going to be growing moving forward.

• (1655)

Mr. Richard Cannings: We talk about this transition. Mr. Erskine-Smith referenced remarks by the Alberta Energy Regulator about the transition that's happening. You have groups like Iron and Earth, which are very concerned about jobs that are currently in the oil and gas sector. Those workers see those jobs disappearing and want to be retrained and to find new jobs. We have a clean-tech sector, from what I understand—I've heard various numbers, from 80,000 to 100,000 or whatever—the size of which is on par with that of the oil and gas sector, and it's growing.

What I would hope to see is that a framework like the one we're talking about today would try to develop that sector and provide those jobs—and provide them now, because this is when workers need them.

I'm wondering if you could comment on that whole growth.

Mrs. Meaghan Seagrave: I think something to mention is that building out the green economy and green jobs in the clean-tech sector, whether it's in the Prairies or across the country, doesn't mean putting an end to the oil and gas sector. Oil and gas will be here for a very long time to come. They play an important role in the push to net zero, and they're a vital part of Canada's economy.

So I agree with a lot of the comments that have been made by the witnesses.

That said, we are already moving towards green and renewables, and, as you said, that is where the jobs will be going. The automotive sector was mentioned just a bit by one of the other witnesses. It might be of interest to you that making car materials such as seat foams... For instance, in the Ford Mustang, probably the most "manly" car that's been produced over the last 25 years, the seats have been made from soy in the last 15 years. The side panels have been made from hemp. Roof materials have been made from flax.

What's happening is that this transition is helping to provide and build stronger domestic biomass supply chains for our farmers so that they can weather the economic uncertainty that happens and the trade disputes that happen. All of these have been brought up over the last hour that we've been talking.

The Chair: Thank you very much, Mr. Cannings and Ms. Seagrave.

We'll now move to Mr. Mazier for five minutes.

Mr. Dan Mazier (Dauphin—Swan River—Neepawa, CPC): Thank you, Mr. Chair.

Mr. Orb and Ms. Brownlee, when Manitoba proposed an environmental plan, it was called the Manitoba green plan. It was very detailed. It included carbon tax exemptions for farmers, which were very important to our agriculture sector, but it also included a focus on conservation through nature-based solutions, so it was a very good, robust plan.

Unfortunately, despite the great work done throughout extensive consultations with Manitobans, Ottawa rejected the plan because it didn't align with its "Ottawa knows best" approach. How counter-productive is it when Ottawa overrules the locally based work of provinces?

Mr. Orb, you can start.

Mr. Raymond Orb: Well, that's quite unfortunate, and I think something very similar happened here in Saskatchewan when our province put forward a plan to take the place of the federally imposed carbon tax. We were basically told that we copied or tried to copy what New Brunswick had done, but the federal government said no, it wouldn't accept that even though it had accepted it from another province.

So it's very disconcerting and it seems to us that it's very political. We even see this proposed bill as being political because we feel as though fingers are being pointed at the prairie provinces, in particular Saskatchewan, because we produce a lot of food, a lot of grain, a lot of pulse crops and things like that. We feel that the fingers are being pointed at farmers, when farmers aren't the problem. We've already shown how much they're doing towards sustainability and protecting our environment, and yet we're not being rewarded for that. Instead, it seems as though we're being penalized.

Mr. Dan Mazier: I guess that's two for two then, two provinces.

Ms. Brownlee, do you have anything to add?

• (1700)

Ms. Catherine Brownlee: Yes. I certainly agree.

Mr. Dan Mazier: How counterproductive is this?

Ms. Catherine Brownlee: It's very counterproductive.

I agree with Mr. Orb. As a province, Alberta has been on the leading edge of technology and formulating the most effective programs to combat climate change, while nurturing essential economies. Adding red tape to our efforts would only injure the Prairies and have a crippling effect on the world.

Mr. Dan Mazier: MP Carr stated in the last meeting, "We've failed continuously in aligning our political interests to the real interests of prairie folk." Now we are studying this bill and he wants to give more power to the political interests in Ottawa. Do you think that the political interests in Ottawa in this bill align with the interests of prairie folk?

I can start with Ms. Ness.

Ms. Justine Ness: We do not.

Mr. Dan Mazier: Why?

Ms. Justine Ness: I feel that, especially for the oil and gas industry, we're constantly under scrutiny and it's getting tiring. We need to be able to run our industry and do what we do best.

Mr. Dan Mazier: Does anybody else have anything to add?

Go ahead, Ms. Brownlee.

Ms. Catherine Brownlee: I agree.

Mr. Dan Mazier: Mr. Bewick, we haven't heard anything out of you for a while.

Mr. Bill Bewick: As I indicated, we want to see support and we want to see a federal government that's proud of how remarkable our energy sector is, how completely valuable it is to the rest of the world, more than ever, and how it can help with energy security in Europe and carbon emissions in Asia.

We should be supporting it and increasing it, not finding ways to transition away from it.

Mr. Dan Mazier: If a piece of legislation that impacts only the prairie provinces does not have the support of any of the provincial governments, do you think Parliament should pass it?

I'll go through the list. Go ahead, Ms. Ness.

Ms. Justine Ness: No.

Mr. Dan Mazier: Go ahead, Ms. Brownlee.

Ms. Catherine Brownlee: No. I agree.

Mr. Dan Mazier: Go ahead, Mr. Orb.

Mr. Raymond Orb: No. I don't believe so.

Mr. Dan Mazier: Go ahead, Mr. Bewick.

Mr. Bill Bewick: No. I don't believe so either.

Mr. Dan Mazier: Thank you.

Do you believe the prairie provinces can build their own green economy without interference from Ottawa?

Ms. Justine Ness: Yes, I do. They already are.

Mr. Dan Mazier: Can you expand on that?

Ms. Justine Ness: We have policy and procedure in place for... If you go to the tank terminals, you can eat a sandwich off a pipeline. It's clean. We take pride in our terminals and our pipelines. We take care of them. It's our infrastructure.

Mr. Dan Mazier: Go ahead, Ms. Brownlee.

Ms. Catherine Brownlee: I agree. As per my first five minutes, I explained all the stats on exactly what we've already been doing. We're far exceeding all goals.

Mr. Dan Mazier: That's perfect. Thank you.

Thank you, Chair.

The Chair: Thank you very much.

We'll now move to Mr. Fillmore for five minutes.

Mr. Andy Fillmore (Halifax, Lib.): Thank you, Chair. I appreciate that.

Thanks also to the witnesses. We know how valuable your time is and we thank you very much for making time for us today.

Mr. Sohi, I'm going to direct a couple of questions to you, but I want to start with two quick points.

The first one is a thought about whom we compare ourselves to. Yes, Canadian oil is cleaner than other oil, but being cleaner and less bad than Saudi Arabia isn't good; it's just less bad. I think it's more instructive to compare ourselves to countries in the world that are leading in green and clean energy, like Iceland, Denmark, Scotland and so on. It's a smarter comparison for us to make in these times that we live in.

The other one is that Nate is actually from central Canada, not from the east, Mr. Steinley. I'm from the east, and I can tell you that it's a part of the world where, yes, fishers and coal miners have had to retrain. In the former case of the fisheries, it was the resource that collapsed; it wasn't government regulation. In the case of the latter, it was the economic viability of the extraction that no longer held, so those workers retooled and now they're providing for their families and contributing to their community in all kinds of productive and fulfilling ways.

We live in an era when there's so much work to do. We have to build a million houses in Canada. Perhaps it's that many. We have to build important green energy infrastructure. I just learned today about the Kivalliq hydro-fibre link in Manitoba to decarbonize the north by getting it off diesel. That's a major infrastructure project that's going to need people who understand energy infrastructure.

I wanted to make those two points.

Mr. Sohi, I have two questions. The first one is a very broad one. What do you believe is the gravest economic threat facing the prairie provinces today?

• (1705)

Hon. Amarjeet Sohi: First of all, I want to make sure you know that MP Carr did consult with me before the introduction of this legislation. We wanted to have municipal voices included, so I'm kind of disappointed that this is not part of clause 2.

I'm also very proud, as many of you know, of my work on the Trans Mountain pipeline expansion project, which would allow Alberta oil to be used throughout North America, as well as beyond North America. I'm the only person in this group, I think, who has demonstrated commitment to the oil and gas sector by actually doing something for the oil and gas sector. I believe Canada should not be buying oil from anywhere else; we should be using our own oil. I firmly believe that.

As we transition to renewable energy sources, climate change is a serious risk for the prairie provinces. We are seeing more droughts in our communities. We are seeing heatwaves in our communities. We are required to invest billions of dollars to upgrade the existing infrastructure so we can remain resilient to the impacts of climate change.

There are solutions out in the prairie provinces. That needs to be supported. For example, hydrogen offers such a considerable amount of potential for thousands and thousands of jobs for hard-working Albertans, and at the same time it helps us reduce emissions locally and offers a global solution to climate change.

LNG is another huge potential we have in the prairie provinces. That should be supported by the federal government. Carbon capture, storage, utilization, sequestration.... Yes, in the last budget the federal government made some changes, but we need to expand on those changes so we can support the growth in the economy of Alberta and diversify.

I don't think we're far apart. I agree with some of my other colleagues from Alberta that oil and gas will remain a big part of Canada's economy and Canada's energy. But we also need to diversify those sources so we are able to withstand the impact of climate change and make our communities greener.

It's not one against the other. It's more of each source of energy complementing the other and helping grow our economy and create jobs.

Mr. Andy Fillmore: Thank you, Mr. Sohi.

When we think about all that the prairie provinces provide to Canada and the rest of the world, whether it's energy or food or other projects resulting from manufacturing, how do you feel the elements of the bill would improve the prairie provinces' ability to provide those things to the rest of the country and the world?

Hon. Amarjeet Sohi: The way I see this bill, it's not against oil and gas; it's about diversification and supporting communities' transition. There are a large number of communities that have been affected by the transition from coal-fired electricity generation, and those communities are struggling. Those are rural communities, and they need to be supported.

Such a bill needs to be in place to provide them the necessary support and actually hold Ottawa to account. If Ottawa is going to come into municipalities and impose policies that help us meet our

targets—which I absolutely support—there has to be a corresponding matching support for municipalities and communities to be sustainable and vibrant.

That's where I see the potential of this bill: It allows us, as municipalities, to hold Ottawa accountable on its responsibility to support municipalities as we transition and to give us the necessary support.

Mr. Andy Fillmore: Thank you, Mr. Sohi.

The Chair: Thank you very much, Mr. Sohi and Mr. Fillmore.

We'll now move to MP Kram for five minutes.

Mr. Michael Kram (Regina—Wascana, CPC): Thank you very much, Mr. Chair.

Thank you to all the witnesses for being here today.

My questions will be for Mr. Ray Orb, from the Saskatchewan Association of Rural Municipalities.

Mr. Orb, we're in a difficult situation here, in that this particular bill applies to Alberta, Saskatchewan and Manitoba only, but it will be voted on by members of Parliament from all across the country. I was wondering if you could give the parliamentarians here in Ottawa an idea of what the oil and gas sector means to the economy and the way of life of the people of Saskatchewan.

• (1710)

Mr. Raymond Orb: The oil and gas sector is really integral to the economic welfare of a lot of rural communities, because, of course, the rural municipalities in our province would be home to every pipeline that we have in this province. The linear taxation is very important. Rural municipalities receive a lot of their taxation funding from these pipelines, along with the related jobs. Many of the people working in the rural communities are living on farms, and some of them are farmers themselves. It's not out of the ordinary to have farmers who are oil and gas workers as well. There really is a strong economic tie, I think.

Really, when things happen outside of our country or around the world and we see that Canada is not able to get our oil and gas out—natural gas, LNG or whatever the case may be—I think it's disconcerting. I think the federal government needs to pay attention to that. More than a private member's bill, I think we need to have a good discussion in our country about energy, and that's all forms of energy: renewables, small modular reactors and nuclear power. Nuclear energy is important. So are oil and gas. I think we have to remember all of those.

Mr. Michael Kram: This bill is not the first time that the federal Liberal government has waded into the debate about oil and gas in western Canada. We've had Bill C-69, the “no more pipelines” bill; we've had Bill C-48, the west coast oil tanker ban; and, of course, we've had the ever-increasing carbon taxes.

I was wondering, Mr. Orb, if you could comment on the effects of these policies on Saskatchewan.

Mr. Raymond Orb: The environmental Impact Assessment Act—I think that's the bill you're referring to, Bill C-69—does have implications for rural municipalities and our rural economy. Part of that is actually the Navigable Waters Act. SARM was really concerned about that, about the federal government making a new bill and bringing in amendments that would affect how municipalities do business from day to day. It has to do with transportation on rivers and streams and being able to build bridges in some places. It would be very expensive to do that because of the bureaucratic red tape created by that bill. That's a big concern to us as well.

The tanker ban, the moratorium in Bill C-48, was something that we were concerned about because we saw that it was taking away from our western transportation system for the movement of oil. We're satisfying part of our country, but we're hurting another part of our country. We had a big concern about that as well. We testified on a few occasions that we were opposed to that act.

The carbon tax is something that we have been working on with our province to try to figure out how we could come up with something that would appease Ottawa. It's something that hurts our farmers right now, even as far as trying to convince the federal government that we need rebates for grain drying, for propane especially. We still haven't seen any meaningful action on that file. I think that's something that hurts agriculture, because it puts our farmers in Saskatchewan at a disadvantage compared to American farmers, who are our competitors. It's really unfair that the federal government is not acting sooner on some kind of rebate plan.

Mr. Michael Kram: In the time I have left, would you be able to share with the committee some of the highlights of the good, environmentally beneficial projects and activities that have been going on in Saskatchewan independently of federal government interference?

Mr. Raymond Orb: One example, which I just made reference to, is small modular reactors. SMRs are something that our province.... In particular, SaskPower and SARM have sort of been partnering on the initial consultations for that. Ottawa is not directly involved in that, although I understand that Ottawa does support the concept of being able to do it. We're really leading the way in this province. New Brunswick and some of the other provinces—Ontario and I think just recently Alberta—signed on to an MOU to work together on those. Creating nuclear power is very important, I think. Number one, we need to be able to share electricity a lot more efficiently on things like that with other provinces. I think that is one good example.

The other one that I did mention is the Saskatchewan Soil Conservation Association project. We partnered with this organization to show that farmers are sequestering carbon. We're taking a lot of carbon out of the atmosphere, but we're not able to convince the federal government that farmers should be qualified for offsets or carbon credits, because the federal government says it's business as usual, that it's nothing new. Farmers are developing and adapting new technology all the time and we still can't seem to get credit for it.

• (1715)

[Translation]

The Chair: Thank you, Mr. Orb.

Let's go to Ms. Lapointe for five minutes.

[English]

Ms. Viviane Lapointe (Sudbury, Lib.): My questions are for Ms. Seagrave.

My understanding is that your organization provides critical strategic investment advice and services to business developers of clean, green and sustainable technologies. In your opinion, what are the biggest hurdles faced by new enterprises entering the clean energy sector?

The second part of my question is, can you tell us how Bill C-235 will have a positive effect in addressing those challenges?

Mrs. Meaghan Seagrave: Thanks so much. That's a great question.

The challenges are mostly around policy alignment and critical investment that is also patient capital and experienced capital for this type of sector and the build-out of this sector.

Most of these types of projects require significant long-term CapEx. We don't have the investment backing in Canada that they do in the U.S., or frankly in the EU, to mitigate some of these hurdles. As I mentioned before, in the U.S., the introduction of the Inflation Reduction Act, the climate-smart commodities investments, and the investments to boost global competitiveness are all basically attracting talent, companies and technologies away from Canada, because we don't have the same types of investment mechanisms here.

With regard to the framework that has been developed, I think it's just a starting point. It's foundational. I think it will help spur that private capital because industry will know that greening and clean tech—clean, green, sustainable technologies—are going to be a priority for the government. It will provide an opportunity to partner with the government and follow along because their investments will be considered secure.

I think it's just a starting point. I don't think it's the end-all and be-all. Given the conversation today, I think there are a lot of amendments that could happen to make some of the other witnesses a little bit more accepting of it.

Ms. Viviane Lapointe: You also work with emerging companies that are commercializing technology that supports the transition towards a net-zero carbon economy. We know that's a challenge faced in other sectors.

How would this bill help innovators and researchers in commercializing?

Mrs. Meaghan Seagrave: I don't think it's going to directly impact them in terms of commercializing, but, again, if government is acting as a leader, then industry in a lot of cases will follow, and they definitely follow with regard to investment. Spurring that private capital is exactly what's going to be needed to help build out these companies and help them get over those commercialization hurdles.

Again, government taking the lead will also have an impact on what's happening in our research institutions—provincial, federal, academic, across the board. If a leadership role is being taken, those institutions tend to follow, and the research money tends to follow, which is also going to help those companies overcome commercialization hurdles.

• (1720)

Ms. Viviane Lapointe: Just touching upon your previous comment about some of the feedback we heard today from the witnesses, I want to remind committee members that when we had MP Jim Carr here at the last meeting, he talked about the bill giving an explicit mandate and instructions to build a framework of consultation. Those directions were being given to the Minister of Industry in consultation with the Minister of Natural Resources, the Minister of Finance and the Minister of Environment.

I have one final question for you. In your opinion, in what ways could this bill affect the Canadian agricultural industry as a whole?

Mrs. Meaghan Seagrave: That's a great question.

I would go back to something Mr. Orb brought up. Our farmers are stewards of the land that we have here in Canada, and we need to remember that building out those strong domestic biomass-based industries will actually help protect our farmers from those economic uncertainties. If we are moving toward clean, green and sustainable technologies, most of them are going to be bio-based and biomass-based as a starting point, so that's agriculture, forestry and even our fisheries sectors.

[*Translation*]

The Chair: Thank you, Ms. Lapointe.

Mr. Lemire, you have the floor for two and a half minutes.

Mr. Sébastien Lemire: Thank you, Mr. Chair.

Ms. Ness, in your opening remarks, you said that wind energy, solar energy and electric cars depend on fossil fuels. If I understood you correctly, why is that?

[*English*]

Ms. Justine Ness: Green energy still needs the oil and gas sector. What do you think lubricates your wind energy?

[*Translation*]

Mr. Sébastien Lemire: Why does my EV need oil to run? Why does a solar panel need oil to produce energy? Why does a wind turbine need oil to turn?

[*English*]

Ms. Justine Ness: Your wind turbines do and your electric cars do, because you have moving parts that need to be lubricated by oil. You still need oil and gas.

[*Translation*]

Mr. Sébastien Lemire: That's what I wanted to clarify.

Are you okay with the fact that the government used your tax dollars, my tax dollars and the tax dollars of every single Quebecker and Canadian to buy a pipeline instead of leaving it up to the private sector? Shouldn't the private sector be in charge of developing the oil industry given the risks involved?

[*English*]

Ms. Justine Ness: I'm sorry; I caught only parts of that.

Can you say that again, please?

[*Translation*]

Mr. Sébastien Lemire: I think the Government of Canada's purchase of the Kinder Morgan pipeline is problematic because it was the government, not private enterprise.

Should the government really be taking financial risks with Quebeckers' and Canadians' money by buying a pipeline?

[*English*]

Ms. Justine Ness: The pipeline should never have been purchased by the federal government; it should have stayed in the private sector.

[*Translation*]

Mr. Sébastien Lemire: If that's the case, what should happen now? Should it be sold?

If so, would you be in favour of reinvesting the money in a fund to support the energy transition, small business innovation and research in Alberta specifically or on the prairies?

[*English*]

Ms. Justine Ness: I think that question should be directed to Justin Trudeau to see what he thinks.

[*Translation*]

Mr. Sébastien Lemire: Someone already asked that question.

Do I have any time left, Mr. Chair?

The Chair: You have seven seconds, but I'm feeling generous.

Mr. Sébastien Lemire: Thank you, Mr. Chair. I will take advantage of your generosity.

Ms. Ness, paragraph 3(3)(c) of Bill C-235 says that nuclear energy would be considered. Are you in favour of nuclear energy development on the prairies?

[*English*]

Ms. Justine Ness: I'm in favour of all industry, so why not?

[*Translation*]

Mr. Sébastien Lemire: Thank you.

The Chair: Thank you, Mr. Lemire.

Mr. Cannings, over to you.

[*English*]

Mr. Richard Cannings: Thank you.

I'll go back to Mr. Sohi.

You made comments in your opening remarks about buildings and greenhouse gas emissions and that much of that carbon output we're trying to cut down on comes from cities and municipalities, from buildings really, and to some extent, obviously, from transport.

I've heard estimates that up to 40% of our carbon footprint comes from buildings, both in the construction and the lighting and heating and cooling. You mentioned the task that we have to retrofit those buildings. We basically have a huge task, if we want to meet our targets, to make our buildings as energy-efficient as possible. That means not just retrofit programs for homes, but for apartment buildings, condos and industrial buildings.

I have two questions. One, how are we going to incentivize this financially? It's going to be a big job. Two, what would the impact of this be on the Prairies? This would be going on in every community in the Prairies, even small communities in Saskatchewan, and in Edmonton, Calgary, Winnipeg, Saskatoon, etc. What would the impact be on the availability of employment in the Prairies and across Canada?

• (1725)

Hon. Amarjeet Sohi: The reason I'm here is that.... If this bill is going to go ahead, please include municipalities in the consultation, because it's so critical. In order to achieve the objectives, prairie municipalities need to be at the table, because this relates to prairie provinces.

Retrofitting existing buildings and repurposing them will help us achieve a number of objectives. First of all, it is a job creator. It ends up creating thousands and thousands of jobs for tradespeople in the local communities where those buildings are being retrofitted.

Second, we have a huge crisis in affordable housing in the prairie provinces, including Edmonton. We have close to 70,000 Edmontonian families that are in need of affordable rental housing, so we can repurpose some of these buildings into more affordable rental buildings.

The third component is to help us reduce emissions, so this is a win-win situation on many fronts. This is not only a small amount of emissions, but a significant amount of emissions, which will allow our communities to be net-zero by 2050, which is the federal goal.

It's local jobs, more affordable housing and a reduction in emissions, and it also helps spur innovation in the construction sector. As you give predictability to the construction industry that over time a certain amount of resources from each order of government will be available, we can leverage those by working with the private sector to expand the work and give that predictability over the long term to foster innovation in the construction sector. This is a win-win situation.

[Translation]

The Chair: Thank you very much, Mr. Sohi and Mr. Cannings.

Ms. Stubbs now has the floor for five minutes.

[English]

Mrs. Shannon Stubbs: Thank you, Mr. Chair.

I would note for the committee that when Mr. Carr—I respect him greatly and believe in his aspirations—was asked directly by an NDP colleague here, when he testified, whether or not he had consulted with any provincial or municipal representatives in the prairie provinces about this bill, which is about consulting prairie provinces, he said he had not, in the development of that legislation.

I would also note for committee members, talking about the investment in clean tech, that 75% of clean-tech investment in Canada comes from oil and gas companies, which is why we are cautioning about shutting down the industry. This is already happening, in the last seven years of this Liberal government: like the 18 LNG projects that have been cancelled while the U.S. is constructing them; like the four pipelines that have been lost; like the hundreds of thousands of jobs that have been lost, and the hundreds of millions of dollars of projects from the energy companies that are investing and leading the entire Canadian economy in exactly the things that proponents say they care about, like clean and green tech and innovation. It makes no sense whatsoever to cut that industry off at the knees when, in fact, it is the leader in the investment we say we value.

Mr. Bewick, you got into a bit of a debate with my independent-minded Liberal colleague Nathaniel Erskine-Smith, whom I also respect and enjoy. I would note perhaps that it epitomized what happens to prairie representatives when they're trying to have a conversation with this Liberal government, which tells you what you ought to think and what you do or don't know about your own expertise.

I would invite you to use some time to address the question I had asked you about any other clauses or aspects of the bill that you wanted to discuss, or if there was an answer that you wanted to give to our colleague and expand on that round of questioning.

• (1730)

Mr. Bill Bewick: No, that's fine.

I will note one more fun fact. There were 25 million trees planted by the major energy producers over their eight years there.

I think you were asking about some of the other clauses in the bill, and one of them specifically talks about tree planting. I feel like the industry minister must have many files that are very urgent and important and take up the ministry's attention. I don't think tree planting should be one of them, because—good news—Alberta is planting a whole lot of trees all on its own, without a new department needed to track how many trees are being planted from the industry ministry. I'm sure there's another one in the environment ministry as well.

But there are a few good clauses in here. Paragraph 3(3)(f) talks about “preparing infrastructure projects that facilitate adaptation to climate change and mitigation”. I think that's something the government should focus more on. It's like maintaining infrastructure; it's not very fun. I guess in this one you would get to cut a ribbon, but it's something that tends to go by the wayside, and it costs us all in the long term. Those are, again, things that should be happening all over the country, I would hope.

The other one is integrating clean energy into agriculture, forestry, transportation and manufacturing. This is worth doing, and it is happening at a considerable rate. Some of the concern I have with the bill, generally, is.... If we needed the government to pay attention to these things, this might be worth the added red tape and forcing the minister and all of his department to come up with reports on progress. But I feel like integrating clean energy into agriculture, forestry, transportation and the energy sector is one of the biggest concerns that this government has, so I really feel like it is redundant to add more and more reports on things that are already happening, sometimes quite aggressively.

I mentioned the tree planting. When it comes to management of the boreal forest.... The boreal forest is one of the world's largest carbon sinks. The oil sands cover.... It's a fairly big operation, obviously, but it's 0.02% of the boreal forest, and all the companies that are working there have strict legal requirements to reclaim that land. I don't know, again, what more reports on how we're managing the boreal forest from the industry ministry, on top of all the other ministries that are surely tracking that, as well as all the companies and the Province of Alberta, which is legally binding them to reclaim those forests....

Paragraph 3(3)(a) is concerned about the “non-existent transportation options in small cities and communities”. The reason there aren't lots of transportation options in small communities is

that there isn't much demand for them. I really worry about big federal government plans to somehow develop transportation options in small towns. I'm quite confident that things like autonomous vehicles, or even Uber, are already starting to fill that void in lots of communities. I really would prefer the private sector to meet the demands there, instead of large, expensive programs that take away from other priorities.

The biggest concern, which I focused on earlier, is paragraph 3(3)(b), which is talking about retraining in traditional energy industries. Someone earlier talked about the transition causing a demand for things like rare minerals. Yes, everybody wants to have some more electric batteries for all kinds of purposes. They are very intensive on minerals and, of course, it's an energy-intensive operation to do mining. The Prairies and Ontario are great places where that should be a new industry, a new source of energy. It's more about energy diversification and supporting all the kinds of energy that Canada can produce for the world, and not doing it at the expense of, and with an eye to shutting down, the one that makes us the most money and the one the world needs the most right now.

• (1735)

The Chair: On those words, Mr. Bewick, we'll have to end this committee meeting.

I want to thank all of our witnesses for taking the time today. It's much appreciated.

Colleagues, have a great constituency week, and safe travels.

Thank you to the analysts, the clerk, and the translators.

[*Translation*]

Thank you, everyone. We're adjourned.

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