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# Standing Committee on Environment and Sustainable Development

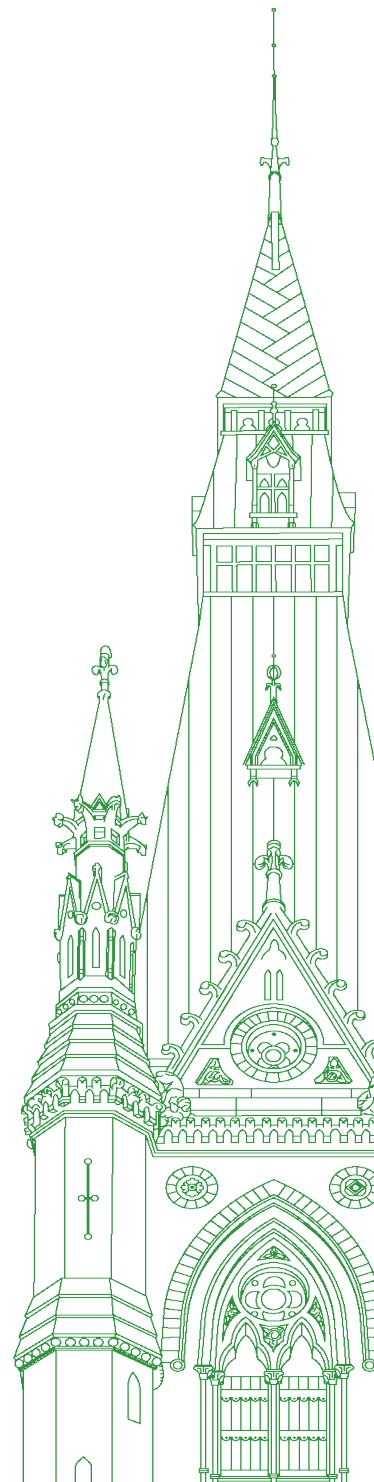
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Chair: Mr. Francis Scarpaleggia



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Thursday, May 2, 2024

• (1530)

[*Translation*]

**The Chair (Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.)):** Good afternoon, everyone.

Welcome, Commissioner. We're pleased to see you again. We saw you a few days ago at the members' briefing.

I'd also like to welcome all the departmental representatives. As the list of witnesses is rather long, I won't read out all the names and titles of the witnesses or else we'd be here all day. So welcome to all of you.

Everyone here is aware of the acoustic feedback problems that have been experienced by the interpreters. I would therefore like to take a few moments to review the rules. You've heard them before, whether in this committee or another one, but I'd like to read the new guidelines for preventing acoustic feedback.

[*English*]

All earpieces have been replaced by a model that greatly reduces the probability of audio feedback. The new earpieces are black, whereas the former earpieces were grey. Please only use an approved black earpiece. By default, all unused earpieces will be unplugged at the start of a meeting. When you are not using your earpiece, please place it face down on the middle of the sticker for this purpose, which you will find on the table as indicated.

Please consult the cards on the table for guidelines to prevent audio feedback incidents. The room layout has been adjusted to increase the distance between microphones and to reduce the chance of feedback from an ambient earpiece.

[*Translation*]

Keep your earpiece either on your ear or on the table well away from the microphone to avoid any acoustic feedback that could cause injuries to the interpreters. All open microphones can be a source of acoustic feedback. When the microphone is on, don't touch the boom. Stay a reasonable distance from the microphone when you're speaking. Lastly, avoid increasing the volume level of your earpiece to maximum.

That's it for the instructions.

Without further ado, I am now giving the floor to the commissioner of the environment and sustainable development.

**Mr. Jerry V. DeMarco (Commissioner of the Environment and Sustainable Development, Office of the Auditor General):** Mr. Chair, I'm pleased to be here today to speak about the five per-

formance audit reports that were tabled in the House of Commons on Tuesday.

I'd like to begin by acknowledging that we are gathered here on the traditional unceded territory of the Anishinabe Algonquin people. This territory is also home to numerous other first nations, Inuit and Métis peoples whom I also acknowledge and whose contributions I appreciate.

Also with me here today are Ms. Kimberley Leach, Ms. Markirit Armutlu, and Ms. Susan Gomez, as well as Mr. Nicholas Swales and Mr. Mathieu Lequain, all of whom are principals who conduct audit assignments.

• (1535)

[*English*]

Our first report is on the zero plastic waste initiative. We found that the federal government did not know whether its reduction activities would eliminate all plastic waste by 2030. Although the initiative refers to zero plastic waste, its targets refer only to reducing plastic waste and are not measuring against the end goal of zero plastic waste. It is an important distinction that needs to be reflected in the initiative's reporting so that Canadians and parliamentarians can see how much progress is being made towards eliminating plastic waste.

[*Translation*]

The good news is that we found that the waste reduction activities under this initiative have been achieving positive results and are in close alignment with Canada's priorities. For example, Fisheries and Oceans Canada funded 67 projects to remove abandoned, lost or discarded gear. However, the organizations did not have the information required to demonstrate how their efforts contributed to achieving the Canada-wide objective. For example, there was a three-year delay in publishing Statistics Canada data on plastic waste in the environment. To reduce plastic pollution, the federal government must work together with many parties, including the provinces, the territories, the municipalities and the private sector. With so many partners, it's particularly important to have strict tracking systems.

[English]

Our next audit examined contaminated sites in northern Canada, which continue to carry significant health, environmental and financial risks. We found that Transport Canada and Crown-Indigenous Relations and Northern Affairs Canada, which manage many of these sites, complied with the federal contaminated sites action plan; however, this was not enough to meet the objectives of reducing the health, environmental and financial risks associated with these sites.

The Canada-wide financial liability for known federal contaminated sites has increased from \$2.9 billion to \$10.1 billion since the launch of the action plan in 2005. While only 11% of sites are in the north, over 60% of Canada's total estimated financial liability is linked to the remediation of northern sites. This is an enormous financial burden on taxpayers and represents a failure to properly implement the polluter pays principle, as many private sector sites had to be taken over by the federal government.

[Translation]

After 20 years, much remains to be done to reduce the costs of dealing with contaminated sites and mitigating environmental and human health risks in the interests of current and future generations. The government needs to urgently introduce measures to foster socio-economic benefits, including job opportunities, and to support reconciliation with indigenous peoples, whose lands have often been affected by contaminated sites.

I will now move on to the remaining three reports on measures to combat climate change.

Our recent reports examined the two largest emission sectors. This year, we looked at other major sources of emissions, which are building materials, manufacturing industries and agriculture. In all of these audits, we found that progress was slow, and that there were no long-term approaches to reduce emissions. This finding does not, however, affect the potential of these measures to help Canada become carbon neutral, provided that they are designed and implemented more effectively.

Our audit of the greening of building materials in public infrastructures revealed that the transition to low-carbon building materials was too slow given the urgency of the climate change crisis.

[English]

Though the federal government first expressed in 2006 its desire to move markets towards goods and services that carry a lower carbon footprint, it took more than 10 years for it to consider the use of low-carbon construction materials, and it was only in late 2022 that the Treasury Board of Canada Secretariat established the standard on embodied carbon in construction. As of now, the standard applies only to ready-mix concrete.

We also found that Public Services and Procurement Canada had not finished incorporating the requirements of the standard into its infrastructure procurement process. Meanwhile, Infrastructure Canada has incorporated considerations related to reducing the carbon content of construction materials into its funding programs only in a limited way.

This is important because emissions from construction and construction materials account for 11% of Canada's total emissions. This slow pace of change is concerning, because steel production typically emits high amounts of greenhouse gases and is widely used in major construction projects. To increase Canada's chances of meeting its 2030 and 2050 climate commitments, the federal government needs to more actively promote the use of low-carbon construction materials in public infrastructure.

● (1540)

[Translation]

The next audit was of the net zero accelerator initiative, whose objective is to reduce greenhouse gas, or GHG, emissions by providing incentives for Canadian industries to decarbonize their activities.

We found that Innovation, Science and Economic Development Canada had been unsuccessful in attracting the country's largest industrial emitters. Of the 55 companies that generated the most emissions, only 15 submitted a funding application under the initiative and only two signed a contribution agreement. The lengthy and complex application process, which required an average of 407 hours to complete, was no doubt one of the reasons why the department did not attract more applicants. We also found that the department did not always know to what extent GHG emissions had been reduced by those companies that took part in the initiative, or whether the funding provided would lead to reduced emissions.

[English]

Surprisingly there is no overarching industrial decarbonization policy to provide Innovation, Science and Economic Development Canada with a clear picture of which industries are most in need of funds to reduce emissions. I am concerned about what the department plans to do to address the significant gaps uncovered in our audit, given the vague responses it provided to our recommendations.

Our last audit looked at agriculture and climate change mitigation. We found that Agriculture and Agri-Food Canada had not developed a strategy for how the agriculture sector would contribute to Canada's 2030 and 2050 climate goals despite a strategy being first called for in 2020.

In 2021, the department launched three key programs aimed at reducing greenhouse gas emissions; however, delays in funding approvals resulted in recipients missing a growing season. The department has so far achieved less than 2% of its 2030 overall greenhouse gas reduction target. Agriculture and Agri-Food Canada will need to ensure that all expected reductions in greenhouse gas emissions for 2030 take place in the six growing seasons that remain.

[Translation]

We also found that Agriculture and Agri-Food Canada had not yet established performance targets for two of the three programs, making it difficult to assess progress. The department's contribution to reduced GHG emissions is indispensable in the battle against climate change, hence the importance of setting goals and monitoring results.

Despite the limited results reported thus far, all of these climate initiatives could, if they were improved, contribute to achieving carbon neutrality by 2050 and making key changes for current and future generations.

[English]

Given the ongoing climate crisis and the federal government's repeated struggles to achieve real emission reductions, a strategic, coherent, results-oriented approach is essential if Canada is to play its part in the global fight against climate change.

Mr. Chair, this concludes my opening statement. We'd be pleased to answer any questions that the committee may have.

Thank you

**The Chair:** Thank you, Commissioner.

We'll go to the first round of questions.

We start with Mr. Mazier for six minutes.

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

Thank you, Commissioner and staff, for coming out here this afternoon.

Commissioner, the net-zero accelerator is costing Canadians a staggering \$8 billion. The Liberals say the purpose of this multi-billion-dollar program is to reduce emissions. Is the government tracking the value for money for this program, yes or no?

• (1545)

**Mr. Jerry V. DeMarco:** Not in a public way.... We've made our own calculations of the value for money that we could, based on the data they have, but we have seen no public reporting on the value for money, no.

**Mr. Dan Mazier:** Wow, okay. How many emissions have been reduced by this \$8-billion program, exactly?

**Mr. Jerry V. DeMarco:** I can't say how many yet. I can say how many are committed to in contribution agreements, because those agreements cover a period of time that's just started recently. In those contribution agreements, five of the 17 add up to 6.2 megatonnes in 17 contribution agreements, five of which have commitments in them, the other 12 don't; and those contribution agreements amount to over \$3 billion of the total \$8 billion dedicated to this fund.

**Mr. Dan Mazier:** My question was on exactly how many emissions have been reduced by this \$8 billion program. Have there been none yet?

**Mr. Jerry V. DeMarco:** We didn't track how many to date. We tracked how many we're committed to in the agreements, because they have a lifespan.

**Mr. Dan Mazier:** So, you don't know.

**Mr. Jerry V. DeMarco:** The figure of 6.2 megatonnes is the total for the five agreements that have commitments to reductions.

**Mr. Dan Mazier:** Did you find any evidence to suggest the Liberal government was over-reporting their emission reductions through this \$8 billion fund—yes or no?

**Mr. Jerry V. DeMarco:** We did have concerns about their calculations, and I can turn to Monsieur Lequain to explain how we got to 6.2 megatonnes, because that's not exactly the number they're using, which I think is what you're getting at.

**Mr. Mathieu Lequain (Principal, Office of the Auditor General):** If you look at exhibit 4, you see you have two lines. The first one, which is the number—

**Mr. Dan Mazier:** I have lots of questions here. I guess the question was: Did you find any evidence to suggest that the Liberal government was over-reporting their emissions reductions through this \$8-billion fund, yes or no?

**Mr. Mathieu Lequain:** As we said in the report, when we asked for detailed information on the reduction of greenhouse gas by project, we noticed that the total was higher than the sum of the projects for the projects under pillars 2 and 3 by 2.2 megatonnes.

**Mr. Dan Mazier:** That would be a yes, that there was over-reporting?

**Mr. Mathieu Lequain:** Those are the facts we saw. Yes.

**Mr. Dan Mazier:** Thank you.

You stated that the government could be double-counting the emissions being reduced. Is this true?

**Mr. Mathieu Lequain:** The SIF NZA today sometimes finances projects to create new clean technology, but the GHG reduction will come from the use of this technology, not from the production of this technology, so there's a risk of double-counting, yes.

**Mr. Dan Mazier:** What are the results of that? If we double-counted, we can't get close to the emissions, right? They'd be falsely reported, so they'd be elevated. It wouldn't be doing as much good as it's probably meant to for \$8 billion, right?

**Mr. Mathieu Lequain:** That's what we say in the report, yes.

**Mr. Dan Mazier:** That's amazing.

You mentioned carbon pricing on page 5 of report number four. Has the government provided you with unrestricted access to their interactive carbon tax emission projection model called EC-PRO?

**Mr. Jerry V. DeMarco:** I'm going to have Principal Leach come up to address that question, because we received one new document in the last couple of weeks, and I just want to make sure that we address that question accurately.

Go ahead, Ms. Leach.

**Mr. Dan Mazier:** Did you receive this document just the last couple of weeks?

**Ms. Kimberley Leach (Principal, Office of the Auditor General):** Yes, we have seen that information before. This information is just an overview of how the model works and is not necessarily the result of any particular modelling run, but we've seen that before, yes.

**Mr. Dan Mazier:** Did it have "draft" written all over top of it?

**Ms. Kimberley Leach:** I don't believe so, but it was dated January 2021.

**Mr. Dan Mazier:** Haven't you seen the real interactive model?

**Ms. Kimberley Leach:** We've seen some information. We did an audit last November and tabled that on the Canadian Net-Zero Emissions Accountability Act. Yes, we had seen some information, but, no, we have not seen all of the information run through all of the model.

• (1550)

**Mr. Dan Mazier:** Did the government approve any funding through their \$8-billion fund before knowing exactly how many emissions were supposed to be reduced?

**Mr. Jerry V. DeMarco:** Yes.

**Mr. Dan Mazier:** Really, for \$8 billion...?

**Mr. Jerry V. DeMarco:** The majority of the contribution agreements do not have a commitment for reductions; five of them do.

**Mr. Dan Mazier:** How do you get to a target?

Do you believe that this government is fully transparent with their emissions reporting data?

**The Chair:** Be brief, Commissioner, please.

**Mr. Jerry V. DeMarco:** No, it's not fully transparent.

**Mr. Dan Mazier:** Thank you.

**The Chair:** We'll go to Ms. Taylor Roy.

**Ms. Leah Taylor Roy (Aurora—Oak Ridges—Richmond Hill, Lib.):** Thank you very much, Mr. Chair.

Thank you to the commissioner for being here again and for the reports you've done. I think it's very important for us to be looking at how we are doing in meeting our ambitious goals.

There are so many different aspects of this.

Just this last week I was at the Carpenters Union, and I looked at a lot of displays on wood, of course, and how eco-friendly it is. I was wondering if you could tell me how the government is encouraging the adoption of eco-friendly construction materials in public infrastructure projects.

**Mr. Jerry V. DeMarco:** Our "Report 2: Greening of Building Materials and Public Infrastructure", notes that government has been slow in promoting and considering the use of low-carbon construction materials. I would say that it's furthest ahead only with respect to ready-mix concrete. That's in the standards on embodied carbon in construction that was produced in 2022. Our view is that the next carbon-intensive construction material that should be targeted by government in terms of public infrastructure would be steel.

**Ms. Leah Taylor Roy:** You don't see the use of wood as a major solution that they should be focusing on right now.

**Mr. Jerry V. DeMarco:** It could be a solution. I was talking about concrete and steel as having a heavy carbon footprint. You can replace that with lower-carbon manufacturing processes, but you can also switch out high-carbon materials, such as concrete, for lower-carbon footprint materials, such as wood or engineered wood. That is a possible solution. I was speaking more about the materials that have a heavier footprint such as steel and concrete.

**Ms. Leah Taylor Roy:** I understand. Thank you for that.

The other thing I wanted to ask about was zero plastic waste. As you know, we've just hosted the intergovernmental negotiating committee here in Ottawa, and I know that environment minister Steven Guilbeault and parliamentary secretary Julie Dabrusin have done a lot of good work pushing for international co-operation on this.

I want to look at some of the things that have been successful in Canada. Report number three noted in particular the success of Fisheries and Oceans Canada's ghost gear fund, which reduced plastic waste in the environment including through the use of grants and contributions. Are there lessons learned from that specific program that can be applied to other programs to actually increase the rate at which we're making these changes and eliminating plastic from our environment?

**Mr. Jerry V. DeMarco:** Yes. As you see in exhibit 3.4, results have been achieved in 11 of the 16 activities that we've sampled, so there has been good progress there and good alignment with the government's priorities. There are so many initiatives available. We tried to summarize them in exhibit 3.2 in order, from the most beneficial to the least beneficial. Yes, once the waste is out there, ghost gear programs like that, which are about recovering it from the sea, are good, but reducing our reliance on plastics would be the most beneficial strategy, and then you have repairing, reusing, remanufacturing, recycling and so on.

There is a variety of strategies available. We shouldn't focus just on what to do with the waste once it's created or thrown away. We also have to think about reducing our reliance on products that generate that waste in the first place.

**Ms. Leah Taylor Roy:** Thank you. I couldn't agree more. In the agriculture committee today, we were talking to some of the organic producers who have found alternatives to single-use plastics already. I'm sure that with the ingenuity in our academic and research environment, our farmers are going to find a lot of solutions and replacements for single-use plastics.

The last thing I wanted to ask about was the federal plastics registry that's going to standardize data around plastics. Are there existing data sources already in Environment and Climate Change Canada for this registry? How is that going to be produced?

• (1555)

**Mr. Jerry V. DeMarco:** Quality and timeliness of the data are issues that we raise in the report. The registry is a good initiative too, and we talk about that in exhibit 3.5, but there are other sources. Statistics Canada's material tracking source, even though it takes over three years to get produced, does provide useful information. There's also a variety of sources of information from the provinces and municipalities, but I think having a registry brings it all together. Now that the federal government is taking more of a leadership role on plastics, whereas before it used to be mainly left to the provinces and municipalities, it makes sense that there should be some way of bringing all that data together so we have a full picture.

We note in our report, in the first exhibit, that it's quite interesting. The graph showing the plastic waste from 2012 to 2019—exhibit 3.1—is the best available data we have right now. Since we've published this, the next version of it has come out from Statistics Canada, and it didn't just add another data point to the graph; the whole graph moved because of the data quality issues and because we were understating the amount of waste in Canada. As I said, there are issues related to both the quality and timeliness of the data, and the registry is a good first step.

**Ms. Leah Taylor Roy:** Thank you.

[*Translation*]

**The Chair:** Mr. Trudel, please go ahead.

**Mr. Denis Trudel (Longueuil—Saint-Hubert, BQ):** Thank you, Mr. Chair.

Thank you, Commissioner, for being here with us today.

I can see that you came here with a sizable team. Combatting climate change is an important issue. I'm truly pleased to see that you're taking it as seriously as we do.

I'm going to start the discussion on the net zero accelerator initiative. In your report, which appears on the Office of the Auditor General's website, you say this:

Innovation, Science and Economic Development Canada's calculations of anticipated greenhouse gas reductions for projects funded by the initiative did not always follow international standards, affecting the credibility of the department's calculations.

I think that's important. Allow me to continue:

Sometimes due diligence steps within the Strategic Innovation Fund's Net Zero Accelerator initiative were not followed before funding approval.

I'd like further details about the use of the words "not always" and "sometimes". Are we to understand that the due diligence steps normally required before funding approval were skipped in this process?

**Mr. Jerry V. DeMarco:** We can address the two findings you just mentioned.

As for the failure to follow standards, I believe we found problems in four out of six instances.

Mr. Lequain can give you further details.

**Mr. Mathieu Lequain:** We reviewed the six projects analyzed by the interdepartmental working group on greenhouse gas reduction. In four of the six cases, we found that recognized greenhouse gas reduction principles had not been followed.

For instance, for building sites, the analysis had not taken carbon emissions from building materials into consideration. Some of the project components were not covered by the analysis, which meant that it was not consistent and did not comply with standards.

**Mr. Denis Trudel:** How can that be? How come standards can be complied with sometimes, but not others?

**Mr. Mathieu Lequain:** Sometimes the information required to do an evaluation wasn't available because when the interdepartmental working group looked at the work, it didn't have a reference model available to analyze the data. In other instances, very sensitive commercial information had not been provided. As a result, there wasn't enough information for certain projects.

• (1600)

**Mr. Denis Trudel:** Because the strategic innovation fund is a fund for innovation, can you tell us whether the funding had been approved for innovative technologies that existed only theoretically? When a company requests funding for methodologies that have never been tested, they may appear to be workable, but you're never sure, because they're new and people are focusing on innovation. That being the case, how is it possible to tell whether something is going to work or not? How can you assess that?

**Mr. Mathieu Lequain:** We looked at the project funding processes.

These projects cover a 15 to 20-year period, so it's sometimes difficult to assess their impact, particularly when they involve new technology that has not been used very much. That's why sometimes the department doesn't do a quantitative assessment of the project impact. As the potential impact goes beyond the 2030 horizon, it's difficult to evaluate.

On other occasions, there are projects that involve technologies for which there is a reference model, meaning that we already have examples that make it possible to determine what the project's impact might be.

So it really depends on the nature of the project being funded and the maturity of the technology being used.

**Mr. Denis Trudel:** I thought the net zero accelerator initiative was only for the manufacturing sector; the 15 applicants that signed an agreement were manufacturing sector companies.

Is that the case, or am I to understand that the initiative didn't attract the large industrial emitters? Is there a gap in the initiative that keeps the large industrial emitters from taking an interest?

**Mr. Jerry V. DeMarco:** It's true that the department is having trouble getting funding applications from the large emitters. That's one of our key findings.

The large emitters are those that could contribute the most to reducing GHG emissions. So if we're going to invest \$8 billion, we want the biggest players on board. But we are receiving very few applications from them. It's a major problem.

**Mr. Denis Trudel:** What can we do to attract the big emitters to programs like these? Do you have any recommendations about this for the government?

**Mr. Jerry V. DeMarco:** In paragraph 4.36 of our report, we recommend that the government make the application process more effective and efficient. That's one of the strategies we put forward to attract more large emitters. We also made other proposals in the report.

**The Chair:** Mr. Trudel, you've run out of speaking time. You'll have an opportunity later to ask more questions.

Ms. Collins, who is online, has six minutes now.

[English]

**Ms. Laurel Collins (Victoria, NDP):** Thank you so much, Mr. Chair.

I thank the commissioner and his entire team for being here, for answering our questions and for doing this important work.

The first report I want to ask a few questions about is on the contaminated sites in the north. It is unacceptable that, after 20 years, the government is failing to reduce the health, environmental and financial risks from these contaminated sites and abandoned mines in the north. The costs seem to have skyrocketed. I was shocked to read that, since the launch of the plan, financial liability for contaminated sites has grown from \$2.9 billion to \$10.1 billion. I'm also curious about the human cost. The government needs to provide adequate resources and work with indigenous people, whose lands are affected, to protect these communities from toxic pollution. Can you talk a little about the human costs to this, beyond those massive financial costs?

**Mr. Jerry V. DeMarco:** Yes. From an environmental justice point of view, we focused on the north, where a lot of communities have borne the brunt of the environmental and human health risks and effects associated with these sites, but have not necessarily benefited as much from them as others. We talk about the opportu-

nity, given the large outlay of funds that's going towards remediating these sites, for some of the socio-economic benefits associated with the cleanup to further community involvement and indigenous reconciliation. This would help, at least, countervail some of the negative effects to environmental and human health that we've seen taking place over the last several decades. That's one example of an opportunity, with this amount of expenditure, to share some of the socio-economic benefits associated with these cleanups with the local communities and indigenous communities that have, so far, been mostly on the negative side of the ledger in terms of environmental and human health risks.

• (1605)

**Ms. Laurel Collins:** When it comes to the financial cost—and you talked a bit about the lack of the polluter pays principle—what do you see as the needed legislative or regulatory changes to make sure that this doesn't happen in the future?

**Mr. Jerry V. DeMarco:** One reason I mentioned the polluter pays principle is that, even though these are historic examples long before the current environmental protection regimes were in place for some of these sites, we still have more current issues of the polluter pays principle not being implemented—abandoned gas wells in Alberta, as examples—and we have, likely, a new round of mines coming to help service the green transition, in terms of critical minerals. We are hopeful that the lessons from past legacies such as these will be learned and that in the next rush, for example, which will be for critical minerals, we will not see a repetition of the mistakes of the past and that the polluter pays principle will truly be implemented in a way that doesn't leave future generations and taxpayers holding the bag for past generations' failures.

**Ms. Laurel Collins:** One other really concerning thing—as I was reading the reports—is in the agriculture and climate change mediation report. The fact that the department has achieved less than 2% of its overall 2030 emissions reduction target and there are only six growing seasons left to achieve the 2030 target is deeply concerning. Farmers are at the forefront of the climate crisis. They want to be part of the solution. They need the government to support them. We see only droughts, heat waves, flooding, but these all have extreme impacts on our farmers and then on consumers at the grocery store. By failing to have a climate plan for Canada's agricultural sector, the government seems to be letting farmers and Canadians down.

Can you talk a bit more about what needs to happen, and how the government needs to act urgently with a plan for sustainable agriculture to support farmers and to help them reduce emissions and adapt to climate change?

**Mr. Jerry V. DeMarco:** Yes. We focused on the mitigation side. We may look at adaptation in a future report.



On the mitigation side, as you mentioned, the farming community is part of the solution in terms of both reducing emissions and helping sequester more carbon through good practices. They can work on both sides of the GHG ledger, if you want to call it that, in terms of both reducing emissions and sequestering and storing more carbon. They also directly benefit from measures to mitigate climate change for the reasons that you mentioned in terms of at least mitigating some of the extreme weather events and droughts and water shortages that would only increase if we allowed unmitigated climate change to proceed worldwide.

They really are, as you said, at the forefront of this. I'm very disappointed to see...and it's not just us asking for the strategies. The centre of government asked this department for a strategy four years ago, and there still is no strategy. If they were able to reduce emissions through their programs without the strategy, that would perhaps be defensible, but if you look at exhibit 5.2, emissions have been rising steadily for the last 30 years and also rising steadily since 2005.

**The Chair:** We'll have to stop it there.

Our second round will be led off by Mr. Leslie for five minutes.

**Mr. Brandon Leslie (Portage—Lisgar, CPC):** Thank you, Mr. Chair.

Thank you, Commissioner, for your report.

We'll pick up where we left off, on the ag section. I think the important highlighted quote for me was that Canada has “no strategy in place to guide its climate change mitigation programs and activities”.

You mentioned the fact that the AAFC in no way consulted with farmers regarding the fertilizer piece. As somebody who used to work in that sector, I can assure you that this is very true. It was an extreme frustration to farmers. It's not the only area in which farmers were not consulted.

I'm going to ask you a set of questions, and I'm hoping your answers can be fairly tight. Your audit found that Agriculture and Agri-Food Canada spent hundreds of millions of dollars on three programs but could not verify the quality and accuracy of the data being provided.

First, during your audit, did you ever come across any evidence where you saw Ag Canada officials try to verify the data that was being provided to them?

• (1610)

**Mr. Jerry V. DeMarco:** I will ask Principal Armutlu to come up here to address that. If you have a series of questions on this report, it's probably best if we have our principal with us.

**Mr. Jerry V. DeMarco:** I'm sorry about that.

Principal Armutlu will be addressing the question relating to data verification.

**Ms. Markirit Armutlu (Principal, Office of the Auditor General):** Thank you.

To answer your question, yes, they did.

**Mr. Brandon Leslie:** They did verify it?

**Ms. Markirit Armutlu:** When we pointed out some questions, they did go back and verify the information for us.

**Mr. Brandon Leslie:** From there, is it standard procedure that they provide that data to ECCC to be included in the national inventory report?

**Ms. Markirit Armutlu:** Our understanding is that to be included in the national inventory report, the data would need to be collected for a considerable number of years. These programs were all still relatively new, so they had not yet been sent into the national inventory report.

**Mr. Brandon Leslie:** Are the reductions that are mentioned in this report included in the NIR, then?

**Ms. Markirit Armutlu:** No.

**Mr. Brandon Leslie:** Okay.

Has there ever been an audit done of the national inventory reporting numbers as they are submitted?

**Ms. Markirit Armutlu:** I would not be able to answer that. It was not part of our audit.

**Ms. Kimberley Leach:** The answer is that we use the national inventory in a lot of the work we do on climate change. Have we audited the whole inventory? No. Have we audited bits and pieces? Yes. You'll see those in some of our past reports, including the report we did last year on the Canadian Net-Zero Emissions Accountability Act.

**Mr. Brandon Leslie:** Do you think there would be value for money in doing that across the board?

**Ms. Kimberley Leach:** For the national inventory?

**Mr. Brandon Leslie:** Yes.

**Ms. Kimberley Leach:** That would be a massive undertaking. We are part of the international...or we see what other countries are doing in terms of their audits on climate change as well. I can't recall a case where the entire national inventory has been under audit. Of course, you can do sectors. You can do specific programs. Auditing the whole national inventory and everything that goes into that would be an enormous undertaking.

**Mr. Brandon Leslie:** Is it normal to have a department have no strategy and yet spend \$1.5 billion on a plan to reduce emissions? Is that a typical thing across departments, in your experience?

**Mr. Jerry V. DeMarco:** I can handle that one. I wish it were unique to this report, but even amongst these five reports, there's a lack of a horizontal decarbonization strategy in one of the other reports. In two of the five here, we have that situation. Having a strategy that brings it all together is an integral part of good performance management, but we have unfortunately seen more than one instance where there's an absence of strategy.

**Mr. Brandon Leslie:** How could taxpayers ever know they're getting value for money out of any of these programs then?

**Mr. Jerry V. DeMarco:** That's one of the themes of one of the reports today in terms of the net-zero accelerator. We believe that if you are going to be essentially spending taxpayer money in such large sums, such as \$8 billion for this, there's a duty for the department to indicate to Canadians what reductions they're getting from that and what cost per tonne they are achieving through those reductions.

**Mr. Branden Leslie:** I'm going to think back to the previous report you had where we were double-counting trees. We've been double-counting emissions, seemingly having artificially high emissions reductions reporting.

Also, as a very recent concern, there was a recent announcement from the Minister of Environment regarding the 2022 numbers that came out around noon today showing 708 megatonnes of emissions. As a reasonable person, I went to the website of Environment and Climate Change Canada and looked back at previous years, because they said that this was the lowest in the last 25 years outside of COVID.

At that time, at around 1:30, the website indicated that there were actually lower emissions in 2009, 2010 and 2016—for sure in 2016; that I know. Why this is relevant is that, instead of printing off a piece of paper today, I went to the website right now, and those numbers are different.

• (1615)

**The Chair:** We're really over time, so maybe one of your colleagues can take up the rest of the commentary.

We have to go to Madam Chatel now.

[Translation]

**Mrs. Sophie Chatel (Pontiac, Lib.):** Thank you very much, Mr. Chair.

I'd like to get back to the questions my colleague Mr. Trudel asked, and to recommendation 36, to which the industry department responded. I would therefore ask Ms. Stéphanie Tanton of the department to answer, if she's with us. If she's not, I would ask Mr. Lapointe to do so.

We received the national inventory report, which showed that Canada's climate policies were working. We've had the lowest GHG emissions in 25 years, with the exception of the levels recorded during the years of the pandemic. The fact remains that the oil and gas sector was yet again the largest source of these emissions in 2022.

Ms. Stanton, according to recommendation 4.36, concerning the Strategic Innovation Fund's net zero accelerator initiative, the department “should analyze how to better encourage large emitters to apply to the initiative”. The department answered that it had some possible solutions and that it had received a number of applications. Sixteen large emitters have submitted projects since March 2022.

Could the departmental representatives give us more details about this response to recommendation 4.36?

**Ms. Stéphanie Tanton (Assistant Deputy Minister, Department of Industry):** I'd like to thank the member for her question, Mr. Chair.

[English]

With regard to the large emitters, as the report indicated, in the early initial days of the NZA, ISED encountered challenges attracting large emitters. To address the challenge, ISED launched a call to action in March 2022. It was closed on June 30, 2022. Of Canada's 55 identified large emitters, 16 applied through the CTA. In addition, ISED received another 23 applications from other companies.

To date, funding has been provided through two large emitter projects to support production processes in steel. These projects have a combined six megatonnes of direct on-site facility reductions. The full application for another seven projects is under way, and two have completed the due diligence process. Moving forward, ISED is committed to continue to work with industry to identify opportunities to address barriers for large emitters to advance on these projects. We continue to engage with industry, and we'll continue to engage moving forward.

[Translation]

**Mrs. Sophie Chatel:** We're going to monitor that very closely. Thank you.

I'd like to ask the commissioner a question now, but would first like to thank him for his reports.

The government is currently working on developing a strategy for sustainable agriculture. My understanding is that the strategy will be developed by various people in that sector.

Commissioner, do you think this strategy will satisfactorily address the first recommendation in your report on sustainable agriculture?

**Mr. Jerry V. DeMarco:** I'm pleased with the responses to our report because they're clear and timelines have been set. One example is the department's response: It's going to finish developing the strategy this year, in 2024. Better late than never; we've been waiting for it since 2020.

The department said it was going to finish developing its strategy. Will I be happy with the strategy? I'd have to read it before saying so; I don't yet know what it's going to contain.

• (1620)

**Mrs. Sophie Chatel:** Great. Thank you.

I'm going to continue on the topic of agriculture, Commissioner.

If you had recommendations to make about developing this strategy, including any missing links between the various departments and programs, what would they be?

**Mr. Jerry V. DeMarco:** That has to do with recommendation 29 of our report, in which we recommend five categories of measures for sustainable agriculture. You can read it later. It would also have to be harmonized with the other departments. We've discussed that repeatedly.

**The Chair:** Thank you.

Mr. Trudel, please go ahead now for two and a half minutes.

**Mr. Denis Trudel:** Thank you, Mr. Chair.

Mr. DeMarco, in your opening statement, you said quite a few surprising things, but I'd like to return to one item in particular. You said that you had also found that the department didn't always know by how much most of the companies taking part in the initiative would be reducing their emissions, or whether the funding granted would lead to reduced emissions.

That's pretty important. It's rather haphazard: Money is being invested but no one knows how things are going to work. How can that be?

Billions of dollars are being invested to help companies reduce their greenhouse gas emissions. The initiatives have to work. Otherwise, there's no way of determining whether they're working or not.

How is that possible?

**Mr. Jerry V. DeMarco:** As Mr. Lequain was saying, in some of the project categories, the target date is 2050 rather than 2030. There are some risks and uncertainties with respect to these projects, particularly for those making use of new technologies. It may well be that it's too difficult to estimate reductions for some of the projects.

However, the fund gets us to net zero more quickly. If the projects are targeting reductions, we want to have actual numbers, and we want it specified in the contribution contract.

**Mr. Denis Trudel:** You're saying 2050, but aren't there already target dates for the projects being funded? For example, at the end of five, 10 or 15 years, is there no way of evaluating how well things are working? Are we just investing money and crossing our fingers in the hope that everything will be working by 2050?

**Mr. Mathieu Lequain:** Throughout the project, the various steps are monitored to check on the extent to which those companies receiving funds from the department are meeting their commitments in terms of lower GHG emissions, diversity, the place of women and so on. There are various criteria.

**The Chair:** You've run out of time, Mr. Trudel.

Go ahead Ms. Collins. You have two and a half minutes.

[*English*]

**Ms. Laurel Collins:** Wonderful.

I wish I had more time. I want to ask both about the net-zero accelerator and about plastic pollution.

It's unclear whether the federal plastic waste reduction activities are actually going to meet Canada's goal of eliminating all plastic waste by 2030. This is really concerning, given how plastic pollution impacts our coasts and threatens our oceans, human health, wildlife and indigenous communities, in particular, along the coast.

I have some questions about the net-zero accelerator. Do you have precise numbers on it?

How much is given in funding to CCUS? Do you know how much of this went to the oil and gas industry?

**Mr. Jerry V. DeMarco:** Monsieur Lequain, can you help with that?

**Mr. Mathieu Lequain:** I don't have the number in front of me, and I don't know if the officials from the department have this information.

**Ms. Laurel Collins:** Could you follow up in writing to the committee with that information?

**Mr. Mathieu Lequain:** Sure.

**Mr. Jerry V. DeMarco:** Maybe the department is best placed to address that question or the follow-up.

**The Chair:** Yes, could the department provide that information to the committee? That would be great. Thank you.

**Mr. Jerry V. DeMarco:** I am seeing nodding from the department, for the record.

• (1625)

**The Chair:** That's a good sign.

**Ms. Laurel Collins:** Mr. DeMarco, can you elaborate on the impact of the lack of an industrial decarbonization policy on projects like the net-zero accelerator, and the impact of it?

**Mr. Jerry V. DeMarco:** Yes. Having a plan behind the individual decisions to create funds like this and then to administer funds like this.... There is definitely a framework that the department itself has for administering this particular program. However, we found that we could not understand what the grand plan was in terms of which sectors would be favoured, what the priorities would be, which regions would be prioritized and in which areas Canada has a competitive advantage in terms of workforce and resources, so that individual programs such as this, and then individual projects within programs, fit with that. That's the idea of policy coherence, right?

An industrial decarbonization policy that goes across government would help situate these programs and ensure that they are all rowing in the same direction, as opposed to just having a collection of programs and hoping that something comes out of it.

That is really a key recommendation here, and there is not a clear answer from the department on that recommendation.

[*Translation*]

**The Chair:** Thank you, Commissioner.

Mr. Deltell, we'll go to you now for five minutes.

**Mr. Gérard Deltell (Louis-Saint-Laurent, CPC):** Thank you very much, Mr. Chair.

Dear colleagues, Commissioner, ladies and gentlemen from the public service, welcome. Thank you very much for the work you are doing on behalf of Canada and Canadians.

Commissioner, I would naturally like to talk to you about the net zero accelerator initiative component of the Strategic Innovation Fund.

We're talking about \$8 billion of taxpayer money. That's a lot of money. Is it effective? That's the question.

On page 7 of your report, there's a description of the system's lengthy and complex process. On page 12, it's clearly stated that difficulties are encountered in attracting large emitters, with only two of the 55 companies involved responding to the invitation. On page 17, we learn that of the 17 contribution agreements, only five companies signed up.

Commissioner, with a track record like that, which shows that the program is not very attractive, do you believe it's effective?

**Mr. Jerry V. DeMarco:** I'm not convinced it's effective. It might be if they're lucky, but it wouldn't be thanks to any grand plan like the one I just talked about.

If the contribution agreements lead to a reduction of only 6 megatonnes of greenhouse gas, at a cost of \$8 billion, then indeed, that's not effective. However, we need to know the amounts of GHG emissions prevented under the other contribution agreements.

To date, the initial funding of over \$3 billion has only led to a 6.2 megatonne reduction in GHG emissions, and that's not effective.

**Mr. Gérard Deltell:** It's hard to convince citizens to spend \$8 billion on a program like that when you yourself don't think it's effective. However, beyond effectiveness, those who believe in it would like to know whether it's working.

On page 20 of your report, you say that “the department did not track the Net Zero Accelerator’s overall value for money in reducing greenhouse gas emissions.”

Once again, the obvious question is: If we can't track things, how can Canadians, and Quebeckers, of course, be sure that the program is worth funding?

**Mr. Jerry V. DeMarco:** It's true that it's taxpayer money. The government decided to share it with the biggest emitters so that they could help achieve the 2030 and 2050 targets. We would like them, as you would, to demonstrate the value of these investments, because they are being paid for by Canadian taxpayers.

**Mr. Gérard Deltell:** Without tracking, how can there be concrete, tangible and convincing results?

**Mr. Jerry V. DeMarco:** I agree that we need tracking.

**Mr. Gérard Deltell:** Also on page 20, just a little farther along, there's a reference to five companies which, having received \$886 million, had managed to reduce their greenhouse gas emissions by 6.2 megatonnes, at a cost of \$103 per tonne, and that this figure had almost quadrupled to \$523 per tonne when it included all of the funds contributed to the net zero accelerator initiative.

Although that's not 750 times more expensive, it's still four times more than expected.

Are Canadians getting their money's worth?

• (1630)

**Mr. Jerry V. DeMarco:** This initiative doesn't really cost four times more than expected. It depends on which calculation is used—just the five GHG emissions projects in the contribution agreements, or all 17 projects. That explains the difference between the \$143 and the \$523 amounts.

Is that right, Mr. Lequain?

**Mr. Mathieu Lequain:** Yes.

The first figure, \$143, is applicable only to those projects for which there is a contractual greenhouse gas reduction commitment. The \$543 is for the entire program budget and all approved projects.

So the first figure is for five projects and totals \$886 million, and the second figure is for all 14 projects.

**Mr. Gérard Deltell:** Your analysis of the \$8 billion program indicates that it has not attracted large emitters. There has also not been any careful tracking to concretely assess the actual repercussions of this \$8 billion program on taxpayers.

What changes are needed to get everything working properly?

**Mr. Jerry V. DeMarco:** That's why we made so many recommendations in our report. I believe that we made seven recommendations on this. However, Innovation, Science and Economic Development Canada didn't accept all the recommendations. There's still a lot of work to be done.

**The Chair:** We have to stop at this point.

Unfortunately, your speaking time is up.

Go ahead, Mr. Longfield.

[English]

**Mr. Lloyd Longfield (Guelfh, Lib.):** Thank you, Chair, and thank you to Mr. DeMarco for coming back.

I have some questions for Stephanie Tanton on some details on the net-zero accelerator investments. I've spent a lot of time in Canada's steel industry, and I've spent a lot of time in the Saguenay, a beautiful part of Canada where the aluminum is produced. We're looking at green steel, green aluminum.

I'm looking at some of the projects that have been announced, like \$420 million at Algoma in Sault Ste. Marie, and \$500 million for green steel in Hamilton at ArcelorMittal, closer to my riding. ArcelorMittal Dofasco is looking at halting the use of coke by 2028. They're in the process of demolishing their coke plant.

Sweden is looking at locating in Quebec a \$6-billion Boden-like site for green steel. It looks like steel has a solid focus in terms of industrial emissions.

I look at aluminum and Rio Tinto's \$1.1-billion expansion of the AP60 smelter in Quebec with 96 new AP60 pots that were announced in June 2023. That's also in the Saguenay. They'll be up online by 2028. Alcoa has invested \$60 million.

As we're building our inventory of steel and aluminum conversions, some of these numbers aren't going to be shown for a while. Are they included in your reduction forecasts for greenhouse gas emissions? Are they included in the audit scope, or are these outside the scope?

**Mr. Jean-Philippe Lapointe (Director General, Business Development and Strategy Branch, Department of Industry):** I'll take this one.

One thing I'd like to clarify is that we only account for direct GHG reductions that are going to materialize by 2030. For that to happen, you need a fairly mature technology. You need a large emitter or an adopter in order to have an accurate number. Those are the ones that we report.

Other projects under the NZA have a longer-term impact. These ones clearly don't have a specific number. You can guess, but you can't get to something accurate, so it's apples and oranges, really.

**Mr. Lloyd Longfield:** These projects for the most part are on a 2028 time horizon, so they would be captured within 2030. However, because of the new technology, we won't know until 2028. Is that what you're saying?

**Mr. Jean-Philippe Lapointe:** I'm saying that the ones that you mentioned in steel would be accounted for because these technologies were deemed to have an impact by 2030.

**Mr. Lloyd Longfield:** Okay, very good.

In terms of scope one, scope two, scope three emissions, the automotive industry is going to be using a lot of aluminum from Quebec. They might be capturing that under a different scope. Is that captured in our numbers?

• (1635)

**Mr. Jean-Philippe Lapointe:** When we do our calculations, we do look at scopes one, two and three. This is a life-cycle approach. We actually call it a partial life-cycle approach because we may decide, if it's not material, to leave some out.

However, companies in their contribution agreement will focus on scope one. These are facility-level reductions that they control. This is why sometimes you may see a slight discrepancy between what's in a signed deal with a company and what's in our estimates, which are more comprehensive.

**Mr. Lloyd Longfield:** In terms of scope one, then, another large industry that I've been fortunate to do a significant amount of work in is mining—the emissions from mining and how Canada's mining sector is working on reductions. Some of those are also forecast well into the horizon.

Could you comment on the maturity of those numbers in terms of the audit that we have in front of us?

**Mr. Jean-Philippe Lapointe:** To my knowledge, the only mining project is one that doesn't have specific 2030 numbers. As you said, it's longer term. For instance, it's the use of more electricity

and electric vehicles for mining and extraction, and those would typically have a longer-term impact.

**Mr. Lloyd Longfield:** But it's still significant. These aren't small reductions; these are step increases. When they happen, they're going to happen in a big way.

**Mr. Jean-Philippe Lapointe:** Exactly, so to us, when it comes to value for money, a lot of these projects are actually going to have a long-term impact that will make a dent in our 2050 goals.

**Mr. Lloyd Longfield:** The value for money is that Canada has to inject itself into the supply chain because it's a longer payback, so the federal government needs to be involved.

**Mr. Jean-Philippe Lapointe:** I would say so.

**Mr. Lloyd Longfield:** Very good. Thank you.

**The Chair:** We will go to the third round.

We will start with Mr. Leslie, for five minutes.

**Mr. Branden Leslie:** Thank you, Mr. Chair.

I would like to continue, Commissioner, as I was cut off there. With the news coming out today from the government in terms of the 708 megatonnes of emissions reporting, I went to look at the previous 25 years history because they say it's the lowest outside COVID years.

Thanks to the Wayback Machine, we can see that the numbers, at some time during question period, changed significantly. It seems as though that is due to a shift in the methodology of a number of measurements of land use and things like that.

You have mentioned, in previous reports, that we were double-counting trees. In these reports, we're double-counting our emissions. We seem to be artificially inflating our reporting of reductions. ECCC has changed the way it has reported on previous years. It seems to have elevated those numbers and, I worry, tried to demonize the past to make decisions taken look good in the future.

Is it a normal practice when the government says, “the lowest in 25 years” to see such a shift in numbers into the past? How is that reported back into previous NIR years?

**Mr. Jerry V. DeMarco:** We have seen that with the national inventory report. We have seen that with the calculation for land-use change in forestry. Then, just this month, we saw it with the plastic waste stream, where we don't just get a new data point for the next year; we see the previous data points shifting with improvements to the data and the analysis of it, so it does happen.

These numbers come out in a given year, and sometimes they go back and correct previous years. I'm not going to ascribe any motivation beyond trying to improve the numbers over the years, and it does make it difficult because there's a moving target. We don't just add a point each year in terms of the new calendar. We see the previous years being updated as well.

**Mr. Branden Leslie:** I will ascribe the motivation then because I firmly believe that it is trying to make it seem as though their programs are working, but your reports are highlighting that there's no strategy, no verification of results. There are clearly flaws in the way the government is going about this. Given that, directly and indirectly, Canadians are paying the price for a number of these features, given that our economic growth is stagnant at 0.2%, and given that our American counterparts with the same interest rates are rising very quickly in their economic growth, Canadians are, I think, rightfully skeptical of these numbers, which is why I asked previously about the totality of the NIR reporting numbers.

I'll give you an example of the ag report. You mentioned the N2O emissions. That is an impossible thing to measure at the field level, and unfortunately, the N2O emissions stemming from crop production can't be right because the number is based on a coefficient measurement of rainfall, climactic zones and soil types, and the estimation that all fertilizer purchased in that province is applied within that year with no carryover. You therefore have a whole bunch of assumptions that—ask any farmer—you know are wrong.

Generally speaking, I'd like to hear your comments on N2O emissions because they are a major contributor, and one of the most controversial pieces of this government's plan to reduce emissions of that type by 30%.

Again, how can Canadians have confidence in any of the modelling when we're changing numbers in the past to fit?

Oh, we have the lowest emissions in 25 years. Suddenly the website's different, and that now proves that, despite the fact that, yesterday, the website would not have proved that. I think Canadians are rightfully asking questions about whether these policies are actually reducing emissions, whether the modelling is accurate and whether they're getting value for money.

● (1640)

**Mr. Jerry V. DeMarco:** There's a lot there. I guess it will be no surprise that we haven't audited the data that came out at noon today, even though it is late in the afternoon. We're not that quick.

We're diligent auditors, and we'll be looking at this in future reports. I can't say that we will be able to do an audit of the entire national inventory report. We would probably need to have to replicate the entire cadre of staff within the departments to be able to do that sort of thing.

We sometimes forget about the big picture when we're talking about slight changes from year to year. The fact of the matter is Canada has not reduced its emissions from the baseline of 1990. All the other G7 countries have. Whether there's some margin of error or not, we are the worst of those countries. We are still trying to get to an objective in 2026 in terms of emissions that just brings us back to where we started in 1990. This isn't a case that we've got

good emissions reductions and it's just a question of how much—is it off by a few per cent or not—our emissions are still higher today than in 1990. We have to remember that.

**Mr. Branden Leslie:** Thank you.

**The Chair:** Mr. van Koeverden.

**Mr. Adam van Koeverden (Milton, Lib.):** Thank you, Mr. Chair.

My questions will be, in addition to the commissioner, for Nicole Côté and Dany Drouin.

I'll start with a quick question for Mr. DeMarco.

I know today's NIR is not precisely the reason you're here, but there seems to be a lot of conversation about it. I find the news quite encouraging, as somebody who cares about reducing our emissions. Some of the headlines today indicated that, and some suggested, as we all expected, that emissions are up a little bit from 2021.

However, taking a pragmatic approach to this, we all expected emissions to come up a little bit postpandemic. There really is an elephant in the room when you're reading that report because all of those emissions increases since 1997.... The minister said in the House today that emissions have never been lower in this country as long as Connor McDavid has been alive or since Google.com was registered as a domain name. So 1997 is a long time ago. Indeed, emissions have gone up a lot since then, but they've almost entirely been in Alberta, from the oil sands, almost entirely from the production of oil and gas. It's time that we look at that and actually reflect on the fact that our emissions are going up because of the way that we produce oil and gas in this country.

We need direction on that, but I would appreciate your reflection on other emissions-producing sectors that need to change their old habits, and whether you're encouraged or discouraged by today's news that it's been 25 years since they've been this low.

**Mr. Jerry V. DeMarco:** I'll be encouraged when we at least get back to 1990. The earliest we could possibly do that, according to their own projections, is 2026. It's a sad state of affairs that our next target is simply to get back to the starting line. Everyone calls this fight against climate change in Canada a marathon, but we've been going the wrong way from the starting line for many years. We're now getting closer to the starting line, which, I guess, is positive from some people's point of view, but we should be ahead of the starting line, not behind it still. We're still behind it.

As you heard from me in previous appearances before this committee, I completely agree that, with half of Canada's emissions being from two sectors, oil and gas and transportation, unless we get a handle on those two sectors, the reductions we get in all the other ones will just not add up to what we need. We do need to get a handle on oil and gas, especially as the largest-emitting sector in Canada.

**Mr. Adam van Koeverden:** Can we achieve our climate targets while being one of the largest oil and gas producers in the world with oil sands producing oil and gas the way they do? Give a quick answer, please.

• (1645)

**Mr. Jerry V. DeMarco:** The way its being done now, no, that's not sustainable.

**Mr. Adam van Koeverden:** Thank you very much.

Mr. Drouin, report number three actually found that all of our implemented initiatives are being quite effective. They're strongly aligned. Eleven of the 16 waste reduction activities we've examined have been delivering good results.

Can you explain to this committee how we can reaccelerate those activities and whether motions to bring back plastic straws would bring us in the right direction or the wrong direction?

**Mr. Dany Drouin (Director General, Plastics and Waste Management Directorate, Department of the Environment):** Your question asks about what a circular plastic economy would achieve in Canada and, currently, it's a linear system. We produce, we use and we dispose of plastics. That's how it works, essentially.

The circular economy is on the way, though. It's not happening at the pace that it should, but it is happening. Accelerating action would include getting rid of some items outside of the economy like the bans that I think you're referring to and recycled content mandates so we keep the value of the plastics within our economy through the reintroduction of that material. Reuse and reduction of plastics products when appropriate, the reuse, the refineries and the remanufacturing, everything we need is within the reach of a circular economy when we will be able to keep that very high economic value in the economy. When we don't do that, it creates pollution, and it creates an economic loss.

**The Chair:** Thank you very much.

Go ahead, Mr. Trudel.

[Translation]

**Mr. Denis Trudel:** Mr. Chair, I'm going to give my two and a half minutes of speaking time to my esteemed colleague from the Green Party, Mr. Morrice.

**The Chair:** Go ahead, Mr. Morrice.

**Mr. Mike Morrice (Kitchener Centre, GP):** Thank you, my dear friend. That's very kind of you.

[English]

I'll start by sharing the national inventory report. To be clear, our emissions in 1990 were 608 megatonnes; today, they're 708. We are 100 megatonnes above the starting line, as the commissioner shared earlier.

To the subject of today, I'm deeply disappointed to see billions of dollars going to large companies with an extremely inefficient \$523 per tonne reduced. My first question, I think, is for department officials.

Could department officials table the companies that received funds, all 17, and how much each received?

**Ms. Stephanie Tanton:** I would suggest that we could submit those to the committee in writing, following the—

**Mr. Mike Morrice:** That's wonderful, thank you very much.

My understanding from the report is that it was the commissioner who calculated the cost per tonne and not department officials. Why were department officials not calculating the cost per tonne of \$7.6 billion going to the highest emitters in the country?

**Mr. Jean-Philippe Lapointe:** We do calculate the cost per tonne. We do it mostly on projects where there's a megatonne estimate. Those are all projects that will contribute to our—

**Mr. Mike Morrice:** I apologize for jumping in; I'm on limited time. The commissioner in his report says that he calculated the cost per tonne, so did he do that unnecessarily? Was that already done by officials?

**Mr. Jean-Philippe Lapointe:** Yes.

**Mr. Mike Morrice:** Commissioner, is that the case?

**Mr. Jerry V. DeMarco:** Our work is necessary and hopefully helpful to the committee. We are confident in the numbers that we've produced and the value-for-money calculations we disclosed. We did one with the five that have contribution agreements with commitments and the other 12 that don't. I would expect that sort of calculation to be done by the department and reported to Canadians, because they are taxpayer dollars.

• (1650)

**Mr. Mike Morrice:** I would expect that, too.

The commissioner mentions in his report that the department switched to “a qualitative method of assessing emission reductions for certain projects.” In my view, emission reductions are a number, and we need to know how many emissions are being reduced. What is a qualitative assessment of reducing emissions?

**The Chair:** Be brief, please.

**Ms. Stephanie Tanton:** Mr. Chair, under the NZA, there are three pillars of investment. Large emitters are the first pillar, and the second and third pillars are focused on industrial transformation as well as the development of the battery ecosystem. For projects like this, the GHG emissions are extended beyond 2030 and our work towards 2050 objectives. For these projects, it's very difficult to undertake a quantitative assessment of GHG admissions, so a qualitative assessment was developed for these projects in order to allow us to undertake an assessment of the less direct or downstream GHG impacts. This includes, for example, a component or a technology that would be included in a new, cleaner manufacturing process or research and development projects.

**The Chair:** Thank you.

We'll go now to Ms. Collins.

**Ms. Laurel Collins:** Thank you, Mr. Chair.

On the net-zero accelerator initiative, out of the 55 companies that emitted at least one megatonne of carbon dioxide in 2021, only 15 applied for this initiative, and only two signed a contribution agreement. Can you talk a little bit about those numbers?

Considering this, do you think that the role of regulations like the clean fuel regulations, the clean electricity regulations and the emissions cap might have an impact on reducing emissions in a greater way than the net-zero accelerator, or would a combination of strengthening these regulations make the net-zero accelerator more successful? Can you spell out how these might interact?

**Mr. Jerry V. DeMarco:** Yes, there are interactions amongst the many measures, whether you count them as 80-something or 120-something measures, depending on whether you group them under the emissions reduction plan.

We've heard previously from departmental officials at this committee, in fact, that they expect carbon pricing to account for around a third of the emissions reductions, and obviously regulations are the other big tool. There's a package of regulations, but if you put them all together, the regulations are the other big chunk of projected emissions reductions.

However, there are other tools, like subsidies that we're talking about in a couple of the reports today, and using the purchasing power, which we're talking about in the third one relating to climate. They're all supposed to fit together and result in the achievement of a target.

We've had several plans over the years that, on paper, appear to add up—although the current one doesn't quite add up to 40%; it adds up to 30-something per cent in terms of measures that are in place now. They're supposed to all add up in an economic model that Environment Canada uses to project emissions.

There are interactions, and sometimes it is difficult to parse out the effect of one program in isolation from others, and it's certainly true in the electric vehicle and infrastructure area, for example.

However, that shouldn't be an excuse to not do the calculations when you can, and to try to get the best numbers possible, and to be transparent with Canadians as to how much each of these measures is costing them or costing industry or costing government. We're

looking for more transparency and more reliability of the models and the measures.

There may be the need for more measures. Other than just barely meeting 40% from past practice, maybe they need to go a little bit higher, recognizing that some of these measures don't pay off as much as they had hoped.

**The Chair:** I think your time is up, Ms. Collins.

We'll go to Mr. Kram.

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

Thank you to all the witnesses for being here today.

Mr. DeMarco, my questions will be about “Report 1: Contaminated Sites in the North”.

Typically this is what is happening when the government sets out to implement a project. Let's say that we're building a building. If we build the first few levels of the building this year and a few more levels next year and a few more the year after, the total amount of money left to complete the project, or the total amount of cost left in the project should be going down after we've done work on the project. However, that's not what's happening with the contaminated sites in the north. The total liability seems to be going up and up every year.

Could you explain to the committee how that's possible?

• (1655)

**Mr. Jerry V. DeMarco:** Yes, it's quite possible, because the project variable hasn't stayed constant. They've learned more about some of the worst sites, and so the cost for those essentially made the project bigger than they had anticipated; and the number of sites has increased quite a lot since we first started auditing this in the nineties and 2000s.

It's not entirely bad news that the liability has gone up for certain aspects, because it's a reflection of better knowledge of the project, as opposed to the project staying constant—if you know what I mean.

**Mr. Michael Kram:** Yes, I think I know what you mean.

Could you explain why these cost estimates were so inaccurate in the first place? With the building example, if the original estimate was to build a 10-storey building, and now we decide we need to build a 20-storey or a 30-storey building, why was that not known from the beginning?

**Mr. Jerry V. DeMarco:** Yes, that is a good analogy, because essentially the building that they're having to deal with now is much bigger than the one they were thinking of.

That's actually partly because one of our older audits said that you don't have a good handle on the degree of contamination at certain sites, or the geographic distribution of the contaminated sites.



I don't want to criticize them for filling in those knowledge gaps, even though it does require that the financial liability number goes up. However, that's not the only reason the financial liability number has gone up, but it is a legitimate reason for a good portion of that. Essentially, the project is a bigger one than they thought it was.

**Mr. Michael Kram:** If we can maybe get into some specifics.... On page 9, it talks about the Rayrock uranium mine project. Could you give us the details for that particular one since it's featured in the report? Why did the costs of the cleanup seem to increase so much?

**Mr. Jerry V. DeMarco:** Principal Leach can respond. She recognized the technical nature of that question before I did. Ms. Leach was the principal responsible for this audit.

**Ms. Kimberley Leach:** We use that as an example of how the cost adjustments contributed to the increased liability for that. Rayrock is a very complex site, a uranium mine from the 1990s. Part of the problem is that when they began the assessment, they weren't exactly sure of the nature of the issues they were dealing with.

Then, projects also encounter delays because of different consultations and different communications that needed to happen. As a result, some of the money was not spent in the year that it was allocated to be spent.

We use that as an example because most of the reason for the increased liability is different cost adjustments, and that example includes almost all of those issues.

**Mr. Michael Kram:** Okay.

I'd like to read a quote from page 17 of the report. It says, "Some issues identified included...a lack of sufficient details about sites—for example, the reasons for annual adjustments made to liabilities and the current status of sites".

Is it the case, then, that we are increasing these cost estimates upward every year without actually knowing why? That sounds very concerning.

**Ms. Kimberley Leach:** The departments do not have to report why the costs were adjusted but just that they were adjusted. The nature of our recommendation is that departments should specify why the costs are adjusted so that there could be lessons learned and perhaps other mechanisms developed whereby those cost adjustments could be avoided in the future.

**Mr. Michael Kram:** Are all these estimates being done internally by the department, or are we contracting out this work to contractors and consultants?

**Ms. Kimberley Leach:** There are a lot of contractors that do work in the north. Of course, it can be very specialized work. We're talking about chemicals that need expert attention. Therefore, yes, some of the reasons that are given for the cost adjustments are things like the pace of the remediation process, the involvement of experts and the fact that these are often remote locations and the construction season may be very limited because they are in the north.

**The Chair:** Thank you very much.

We'll go to Mr. van Koeverden, please.

**Mr. Adam van Koeverden:** Thank you, Mr. Chair.

I'd like to thank my colleague, Shafqat, for lending me some time.

My questions will be for Ms. Cote, the director general of environmental protection operations.

I apologize for making you come back up. I'm sorry. I ran out of time the last time.

My opening question will be more or less the same question I asked Mr. DeMarco with respect to oil and gas emissions. Like a lot of Canadians who care about fighting climate change, I've been poring over the reports, both the NIR and the report from the CESD, this week.

One of my main reflections from the net-zero accelerator is that locally—at least in Halton where I'm from—we're seeing some investments making a huge impact on our air quality. I grew up doing sports in the Halton region, and we have bad air quality in Halton, Oakville and Burlington. It's a result of being right in between Toronto and Hamilton and of having a lot of heavy industry and a lot of highways around. It got a lot better when we stopped burning coal to generate electricity in southwestern Ontario, but there's still a lot of work to be done.

When I look at the graph titled "Change in Canada's Oil and Gas Sector GHG Emissions Since 2005", it's really obvious to me why our emissions are dragging their feet and why we haven't yet made that goal of 1990.

I also reflect on the fact that we always say that Canada's emissions are higher. It's not Canadians. It makes Canadians feel as though they're doing something wrong, and they're not. It's the oil and gas sector that's doing something wrong, and they're doing something that's obviously just generating more and more emissions per barrel of oil and gas, not even becoming more efficient over time.

With the steel industry in my area changing its ways, I'm hopeful that other industries will be able to do the same.

I'm asking for your reflection on two things. How is oil and gas contributing to us dragging our feet on reducing emissions? Also, could you correct the record for us and explain a little bit how emissions are calculated and, if you're willing, corroborate that they haven't been as low as they are now—with the exception of COVID—since 1997?

I know it's a lot.

• (1700)

**Ms. Nicole Côté (Director General, Environmental Protection Operations, Department of the Environment):** Thank you.

Actually, I am not the right person to answer that question. I'm so sorry to the committee. I'm here for the contaminated site side of things.

I'm looking to other colleagues around the table who might be here from Environment. My apologies.

**Mr. Adam van Koeverden:** I'm sorry, Ms. Côté. I thought I had it right.

**Ms. Nicole Côté:** I mean, I could provide some thoughts, but....

**Mr. Adam van Koeverden:** That would be great. We could keep the clock running. I know that we are cleaning up a lot of contaminated sites. There's more work to be done. Heavy industry has had a pretty deleterious impact in the oil sands and elsewhere.

Perhaps you could offer some reflections on that while somebody else comes to join us up front.

**Ms. Nicole Côté:** Maybe I can speak to contaminated sites and the historical nature. The commissioner did speak to the fact that this program is intended to look at those historical sites that have been contaminated. Many of the regulations and policies we've been putting in place over the last 20 to 30 years have been helping to reduce the number of new contaminated sites that are coming on board.

Unfortunately, in terms of the emissions, I don't want to miss-peak; it isn't my area of expertise.

**Mr. Adam van Koeverden:** That was my oversight. I apologize for that.

Would anybody from the department like to provide some reflections on emissions?

I recognize that we asked you to come for the CESD and not the NIR. I understand. Thank you.

I'll cede the rest of my time to the chair.

**The Chair:** Thank you.

We'll start our last round with Mr. Deltell.

[*Translation*]

**Mr. Gérard Deltell:** How much time are you giving me, Mr. Chair?

**The Chair:** You have five minutes.

**Mr. Gérard Deltell:** Commissioner, I'd like you to talk about your second report, whose title is "Greening of Building Materials in Public Infrastructure". People always say that the best and greenest energy is the energy you don't use. Eco-responsible buildings that use less energy are the fastest way to reduce emissions and achieve sustainable energy.

Your report takes stock of what happened between 2006 and 2016:

We noted that in that time span, Public Services and Procurement Canada made progress in reducing the operational carbon emissions of federal public infrastructure.

That, approximately, was the period during which Stephen Harper's Conservative government was in power.

And yet, just a little later, you say that there had been "insufficient progress since 2017". Among other things, you pointed out that "insufficient consideration of embodied carbon in funding programs represents a missed opportunity to contribute to government-wide efforts to reduce greenhouse gas emissions".

How could such an obvious opportunity be bungled, when it had begun so successfully on other occasions, and yet yielded such disappointing results over the past nine years?

• (1705)

**Mr. Jerry V. DeMarco:** It was relatively easy to work on operational carbon in buildings, vehicles and so on.

Embodied carbon is relatively new, but I had heard about it in the 1990s. People talked about life-cycle analysis and the carbon footprint and they wanted to incorporate embodied carbon into the infrastructure program.

Now, nobody talks about anything except concrete. Steel and other materials should also be included. I agree.

**Mr. Gérard Deltell:** You are really reading my mind, Commissioner, because in one section of your report, it says that you concluded that the Canadian government had not used its procurement powers effectively to support and encourage the use of low-carbon building materials such as steel, aluminum and concrete.

Aluminum is produced mainly in Quebec and Ontario. Quebec also happens to produce more aluminum than anywhere else in the world, as well as steel, and thanks to new technologies, it's clean steel.

We believe that by investing in new technologies, we'll achieve concrete results.

Why was this opportunity missed again?

**Mr. Jerry V. DeMarco:** That's a question for the department.

[*English*]

**Ms. Laurel Collins:** Mr. Chair, I have a point of order.

[*Translation*]

**Mr. Jerry V. DeMarco:** I'm disappointed about the missed opportunity, and that there is now some catching up to do.

[*English*]

**The Chair:** I'm sorry. We have a point of order.

**Ms. Laurel Collins:** Mr. Chair, I'm sorry. I was having trouble technically, but it looks as though it has started working again.

**The Chair:** Good.

I'm sorry to interrupt you, Commissioner. Go ahead.

[*Translation*]

**Mr. Jerry V. DeMarco:** It would have been possible to begin reducing embodied carbon emissions a long time ago. The government now needs to make up for lost time and do something about embodied carbon. We recommended that steel should be the top priority.

The issue is also related to the net zero accelerator initiative. If the government wants to encourage greener building materials, then it also has to improve its funding programs.

**Mr. Gérard Deltell:** It's true, Commissioner, that investment in new technologies is needed to reduce emissions, and we all want to reduce emissions.

I'd like to conclude with a general comment. The Canadians who work in the oil sector are Canadians. The Canadian energy sector belongs to all Canadians. If we produce oil in Canada, it's because Canadians need it. If we stop producing it in Canada, it will be produced elsewhere. If it's done elsewhere, we'll be sending billions of dollars to other countries instead of having the oil industry contribute to Canada's economy.

It's true that we're facing some challenges, but the oil industry is striving to reduce emissions. It's true, of course, that more effort is needed. We all want to reduce emissions. But we won't accomplish that by insulting the Canadians who work in the oil industry and telling them that only the Canadian oil industry is at fault, rather than all Canadians. I don't share that point of view.

For as long as we need energy from oil, as we do in Quebec, where there's been a 7% increase—

[English]

**Mr. Adam van Koeverden:** On a point of order, Mr. Chair, this isn't a question; this is a lecture.

[Translation]

**The Chair:** In any event, it's Ms. Taylor Roy's turn.

[English]

**Mr. Gérard Deltell:** This is exactly what you said.

**The Chair:** Ms. Taylor Roy, you have five minutes.

**Ms. Leah Taylor Roy:** Thank you very much, Mr. Chair.

Once again, I want to thank the commissioner and all of his team, because the observations they make and the feedback we get help to improve performance, and we learn from those things.

I want to comment about my colleague's comments on the oil and gas sector. I don't believe that we are criticizing Canadians who work in the oil and gas sector. I think one of the questions we've had is how sincere these large multinational corporations, which are making record profits, have been in making progress on emissions reductions.

I'd like to ask about the NZA. In the NZA, of the 55 largest emitters, only two signed agreements and 15 put in applications. I'm wondering if the lack of participation of the oil and gas sector in this program is somehow an indication that they're not that sincere about making these changes.

Do you have any comments there? Why do you think the oil and gas sector has not been more concerned about participating in some of the programs that could help make disruptive technology or transformative changes? We see what's happening in Alberta, where renewable energy sources or renewable energy methodologies are being put on hold. We've had CEOs say that they're not interested in any of that anymore, especially Suncor. Perhaps you could comment on that for me.

• (1710)

**Mr. Jerry V. DeMarco:** I'll start by saying that the NZA doesn't target all of the sectors in Canada that have emissions. It is focused on manufacturing and industry.

Perhaps Mr. Lequain can help explain that a bit more clearly.

**Mr. Mathieu Lequain:** In the NZA, some projects are developing technology that could serve all industries—oil and gas and other industries, such as steel and aluminum.

It's not industry-driven; it's more technology-driven, and some technology could apply to multiple sectors such as oil and gas and steel. This is what we saw.

**Ms. Leah Taylor Roy:** Since they're so large, have invested in so much and are making so much profit, could oil and gas companies be leading the way in trying to develop some of these new technologies or innovative ways to address the emissions coming from their sector?

**Mr. Mathieu Lequain:** I'm not sure I understood the question. I'm sorry.

Projects that are financed through the net-zero accelerator, could apply to.... You need a technology. You need a technical answer to an emission. You can think of, for example, some technology like CCUS or filters for carbon capture. You need a technology.

It's not necessarily the company in the industry that has a technical solution, but it can become a user of this technology. This is why—

**Ms. Leah Taylor Roy:** Are you saying that they could not apply if they wanted to develop some technology on their own that could—

**Mr. Mathieu Lequain:** No. They could.

**Ms. Leah Taylor Roy:** Okay, but they haven't. They haven't shown any interest in investing money into developing technologies that they could use to reduce their emissions.

**Mr. Mathieu Lequain:** Well, there are some companies in the oil industry that applied to the SIF-NZA for a solution to produce some products with a lower footprint.

**Ms. Leah Taylor Roy:** Sure, but have any of these large multinational oil and gas companies taken any interest in actually working to develop these technologies to solve their own problems? They have the Pathways Alliance, which I'm assuming from all the advertising is interested in doing that.

**Mr. Mathieu Lequain:** Well, again, you need to have a technical solution. We looked at who applied. We looked at the large emitters. We noted that the process was long; the process was time-consuming. That could explain why some big emitters did not apply.

It could also be, as we said in one recommendation, that the SIF-NZA is one element in a whole-of-government strategy. You could have tax incentives. You could have grants and contributions. You could have regulations. You have to look at the results of the SIF-NZA and the whole approach of the government. That is why we would like to see a strategy. It's not only about the design of a specific program. It's also about how this program fits within other—

**Ms. Leah Taylor Roy:** Yes, I understand. I was just trying to understand the way in which—

**The Chair:** I'm sorry. We're essentially out of time, Ms. Taylor Roy.

**Ms. Leah Taylor Roy:** Thank you.

[*Translation*]

**The Chair:** Go ahead, Mr. Trudel.

**Mr. Denis Trudel:** Thank you, Mr. Chair.

Of the people seated behind the commissioner, who represents the department?

Is there a departmental spokesperson here, Mr. DeMarco?

**Mr. Jerry V. DeMarco:** What department are you talking about?

**Mr. Denis Trudel:** I'm talking about the Department of the Environment, the very department responsible for the net zero accelerator initiative.

• (1715)

[*English*]

**Mr. Jerry V. DeMarco:** That's ISED.

[*Translation*]

**The Chair:** Ms. Côté and Mr. Drouin are the environment department representatives.

**Mr. Denis Trudel:** Actually, I was thinking more of the Department of Innovation.

**Mr. Jerry V. DeMarco:** Yes.

**Mr. Denis Trudel:** Sorry. I got that wrong.

The questions from my Green Party colleague and others would appear to indicate a rather serious lack of transparency in the data we were given today. After all, a lot of money is being invested in this initiative, to the tune of billions of dollars. We don't really know which companies received funding, what the results of this initiative were, or what targets the department had in mind when it gave money to any of these various companies.

Can you get this information to the committee within a reasonable amount of time? What were the companies, what were the targets and what were the tools you used to determine which companies would receive a grant, and what results have been achieved to date?

Can you get this information to us fairly soon?

**Mr. Jean-Philippe Lapointe:** Mr. Chair, we can certainly get you a list of all the companies that signed a contribution agreement under the net zero accelerator program. However, in our contracts, a number of commitments made by these companies were not made

public, which means that we can't provide you with that information.

**Mr. Denis Trudel:** Why can't you give us that information? We are elected representatives, and we represent the people. Is it for reasons of confidentiality? Why? I don't understand why this isn't possible.

**Mr. Jean-Philippe Lapointe:** What's involved is in fact contractual commitments between the Government of Canada and the individual companies. We can report aggregate data on the overall performance of the net zero accelerator program. We also recently published an impact report on this program. You can consult the report on our website.

Of course, that doesn't include all the data to date, but it does cover the period up to 2021 or 2022.

**Mr. Denis Trudel:** What you're telling me is that the government signs multimillion dollar agreements with companies but that we, the elected representatives, can't know what we're getting for our money or how effectively the taxpayer money that we're spending is being used. You have confidential private contracts with companies—

**The Chair:** A brief answer, please.

**Mr. Jean-Philippe Lapointe:** We report aggregate data. Sometimes, when a company agrees to it, announcements about specific projects include certain data, including data on job creation or reduced GHG emissions.

**The Chair:** Thank you.

Go ahead, Ms. Collins.

[*English*]

**Ms. Laurel Collins:** Thank you, Mr. Chair.

I want to thank all of the witnesses—the commissioner, the staff and the department officials—for being here.

We hear about the disproportionate impact that the oil and gas industry has on our increasing emissions, but it isn't Canadians who are at fault. It is the biggest polluters, and it's really the responsibility of government to hold these biggest polluters to account.

In that vein, I would like to put forward a motion. On April 30, we called for the oil and gas CEOs to appear before committee. I'd like to shift that, given that many of them have replied saying that they're unavailable and so on, to summoning them to committee to make sure they are required to come and answer our questions.

I will read the motion into the record.

**The Chair:** I'm sorry, Ms. Collins, but you're tabling it; you're not moving it.

**Ms. Laurel Collins:** Oh, I'm sorry. I'd like to move it.

**The Chair:** Has notice been given?

**Ms. Laurel Collins:** No, but I thought it was relevant given the topic of our conversation.

**The Chair:** Okay, wait just a moment, please.

I don't think I'll accept it as relevant. I don't think we can jump to the conclusion that they won't be coming. We've been reaching out to them, so it's a bit premature to say they won't be coming.

You could always give notice now and move it if we get a sign that they're not co-operating, but I'll rule that notice is required because it's not really related to what we're doing here. However, you can give notice now for the future.

• (1720)

**Ms. Laurel Collins:** I'd be happy to table it later. Maybe I'll send it to the committee in writing.

**The Chair:** Yes, but again, they haven't closed the door on coming. I think you're assuming they don't want to come. We're not yet at the stage where we're frustrated that they don't want to come.

**Ms. Laurel Collins:** For sure. I think we received a number of pieces of correspondence with regard to our previous date saying that they were unavailable.

**The Chair:** It's a question of finding the date. I'll keep the committee posted on that for sure.

**Ms. Laurel Collins:** For clarification, Chair, is your ruling because they haven't gotten back to us?

**The Chair:** No, it's because we're talking about the report of the commissioner, and I don't think it's relevant. It's important, but it's not directly relevant.

**Ms. Laurel Collins:** Okay.

**The Chair:** I think we're out of time now. I'm sorry about that.

**Ms. Laurel Collins:** When I move a motion, does that take off time from my question?

**The Chair:** Yes.

Your notice has been given.

Mr. Mazier, go ahead.

**Mr. Dan Mazier:** Commissioner and Ms. Leach, in the last round you said you had not seen the interactive model EC-PRO. Have you ever requested to see the government's interactive carbon tax emission projection model?

**Mr. Jerry V. DeMarco:** Ms. Leach is here to answer that question.

**Ms. Kimberley Leach:** Yes, we have seen the document, dated January 2021, and I notice now that it's still in draft form.

**Mr. Dan Mazier:** It was the model I was asking about. Have you seen the model?

**Ms. Kimberley Leach:** That was in reference to your earlier question.

We have seen some of the models. There are several models that the department uses to model its emissions, and there are different assumptions and different outputs that come from that. There's not one single model; there are a number of different models.

**Mr. Dan Mazier:** I was asking about that one model.

You mentioned that the government has a tool to measure the emissions results of the net-zero accelerator. Is this public? Do Canadians have public access to it, yes or no?

**Mr. Jerry V. DeMarco:** Do you mean the net-zero accelerator?

**Mr. Dan Mazier:** The government has a tool to measure the emission results of the net-zero accelerator. You have access. Does the public have access to this tool, yes or no?

**Mr. Mathieu Lequain:** There is the effect of net-zero in the overall modelling, which is 19 to 20 megatonnes, and there is an internal target from the NZA, which is not public.

**Mr. Dan Mazier:** Do Canadians not have access to this model?

**Mr. Mathieu Lequain:** They don't have access to the target.

**Mr. Dan Mazier:** I mean to the model. It was stated in the report, so no was the answer.

Do you think that if the government is spending \$8 billion of taxpayers' money, Canadians should be able to see the results?

**Mr. Jerry V. DeMarco:** Most definitely, yes.

**Mr. Dan Mazier:** Thank you.

Mr. Chair, I'd like to move the following motion:

Given that Canada's Environment Commissioner reported:

a. that the Liberal government "did not effectively manage the Strategic Innovation Fund's Net Zero Accelerator to decarbonize the manufacturing industries in accordance with Canada's climate goals or with due regard to value for money for Canadians"; and

b. that the emission reduction progress and results of the Liberal government's \$8-billion Net Zero Accelerator are not public to Canadians,

the committee order the production of (i) the government's complete tracker tool used to measure the Net Zero Accelerator's progress and results, (ii) all internal Net Zero Accelerator targets set by the government, including the government's Net Zero Accelerator emission reduction target, and (iii) all complete contributions agreements signed, to date, for the Net Zero Accelerator, within one week of this motion being adopted.

Thank you, Mr. Chair.

• (1725)

**The Chair:** Go ahead, Mr. van Koeverden.

**Mr. Adam van Koeverden:** Is this being moved?

**Mr. Dan Mazier:** Yes.

**Mr. Adam van Koeverden:** Has it been tabled?

**The Chair:** We're doing it now. It's relevant to what we've been discussing.

**Mr. Adam van Koeverden:** Well, I think it's worth considering. I haven't seen it, and I think it requires time. We have all these officials here, so—

**The Chair:** Yes, we're almost out of time.

**Mr. Adam van Koeverden:** —I move to adjourn debate on this for now so that we can be respectful to our officials and the commissioner and discuss it further—

**Mr. Dan Mazier:** You're adjourning debate on a model that he just admitted he doesn't have access to.

**Mr. Adam van Koeverden:** You're in shock.

**Mr. Dan Mazier:** I am. I'm very shocked, actually.

**The Chair:** We'll have a vote on adjourning debate. Then basically we're done with the meeting, because you've given up your time, Mr. Mazier.

Let's vote on adjourning debate and, effectively, adjourning the meeting.

(Motion negatived: nays 6; yeas 5)

**The Chair:** We're debating the motion for the next 15 minutes.

We have Mr. Leslie and Madame Chatel.

[Translation]

**Mrs. Sophie Chatel:** Yes.

**The Chair:** Okay.

[English]

Is there anyone else to take us to 5:45?

[Translation]

Would you like to comment, Mr. Trudel?

[English]

What about you, Mr. Morrice?

**Mr. Mike Morrice:** Okay. I'll get on the list.

**The Chair:** Wait a minute.

**Mr. Adam van Koeverden:** I'll get on the list.

**The Chair:** Okay, Mr. van Koeverden.

**Mr. Adam van Koeverden:** I have a point of order, Mr. Chair.

**The Chair:** Just hang on a second.

On a point of order, go ahead, Mr. van Koeverden

**Mr. Adam van Koeverden:** Out of deep respect for all the experts in the room, our amazing officials, the commissioner and all of the people who came to this place for a meeting, I would ask that you tell them they're free to leave. The circus is about to begin.

**The Chair:** Thank you for being here. It has been very informative. I know a lot of work goes into these reports.

It's always a pleasure to have you here, Commissioner. It's always very informative and insightful. Thank you, and thank you to all the officials.

We'll start debating Mr. Mazier's motion.

We have Madam Chatel.

[Translation]

**Mrs. Sophie Chatel:** Thank you, Mr. Chair.

According to the inventory report, there has been remarkable progress in terms of electricity compared to 2002. There was also a reduction in greenhouse gas emissions in some sectors, including

transport, heavy industry, waste and agriculture. But it's still a challenge for the oil and gas sector.

The motion before us addresses the government's tool box, which is attempting to invest in new technologies with a view to reducing greenhouse gas emissions. I'm sure that everyone here, including my Conservative colleagues, would like us to be able to reduce these emissions. But you can't just wave a magic wand.

Governments have to step in, as they have in economies around the world. How do they intervene? As we know, one approach is to invest massively in technology—that's something my Conservative colleagues talk about often. That's how to achieve a carbon neutral economy. It's the first tool in the box.

The second tool—

• (1730)

[English]

**Mr. Dan Mazier:** I have a point of order.

**The Chair:** There's a point of order.

Mr. Mazier.

**Mr. Dan Mazier:** I don't know what that has to do with the motion. We're just asking for a model. We should be debating either why we want to see the model or why we don't want to see the model.

[Translation]

**Mrs. Sophie Chatel:** It's precisely the tool box of—

[English]

**The Chair:** I was helping the clerk, so I didn't hear everything Madam Chatel had to say.

I'll let Madam Chatel continue.

[Translation]

**Mrs. Sophie Chatel:** I'll clarify the point I want to make, Mr. Chair.

Mr. Mazier, what I'm saying is highly relevant, because the net zero accelerator initiative is precisely the investment tool box. The motion asks whether it's effective.

With this tool box, I think we'll get there. In your motion, you conclude that it's perhaps not the best tool. Billions of dollars have to be invested in the technology. That being the case, what other options are there? Two other tools can be used—I've already spoken about the first.

The second tool would be the introduction of regulations, as was done for plastic. Because we want to stop using plastic, regulations were introduced. The government tells us what we ought and ought not to do.

The third tool would be to place a ceiling on oil sector emissions.

If investment isn't working, as you claim in your motion, what other options are there, Mr. Mazier? There could be a ceiling on emissions or—

[English]

**Mr. Dan Mazier:** I have a point of order.

[Translation]

**The Chair:** One moment please, Ms. Chatel.

Mr. Mazier, go ahead for your point of order.

[English]

**Mr. Dan Mazier:** Just for clarification, I'll read the motion again, since you're talking about a cap on emissions and all that. It says, "the committee order the production of (i) the government's complete"—

**Mr. Adam van Koeverden:** On a point of order, Mr. Chair, reading the motion over again is not a point of order.

**Mr. Dan Mazier:** She's not talking about the motion.

**The Chair:** The point he's making is it's not relevant to the motion. He's just making a point by reading the motion.

**Mr. Adam van Koeverden:** She's literally talking about it.

[Translation]

**Mrs. Sophie Chatel:** Can I explain why—

**The Chair:** Just a moment, Ms. Chatel. Mr. Mazier has the floor.

Go ahead, Mr. Mazier.

[English]

**Mr. Dan Mazier:** I was going to clarify it. Mrs. Chatel wanted to listen to the motion and what we were asking for. It would read, "the committee order the production of (i) the government's complete tracker tool used to measure the Net Zero Accelerator's progress and results".

She's not listening to me.

**The Chair:** Go ahead, Mr. Mazier.

**Mr. Dan Mazier:** It goes on:

...(ii) all internal Net Zero Accelerator targets set by the government, including the government's Net Zero Accelerator emission reduction target, and (iii) all complete contributions agreements signed, to date, for the Net Zero Accelerator, within one week of this motion being adopted.

There are three points. The three things we're asking for, that's what we're debating.

[Translation]

**The Chair:** Ms. Chatel, I think we've strayed somewhat from the subject of the motion, so I would appreciate it if you could get back to the content of the motion.

**Mrs. Sophie Chatel:** I'd like to refer to paragraph b) of the motion. It says that the emission reduction progress and results of the government's \$8 billion net zero accelerator initiative are not public to Canadians and are not effective.

That's the premise that is central to the discussion about the motion.

• (1735)

**Mr. Gérard Deltell:** *Inaudible* exactly what he said.

**Mrs. Sophie Chatel:** Yes.

So what would be more effective than investments in the—

[English]

**Mr. Branden Leslie:** I have a point of order.

**The Chair:** I'm sorry, Madam Chatel.

Go ahead, Mr. Leslie.

**Mr. Branden Leslie:** I think we have a bit of a misunderstanding. This is a preamble of what the environment commissioner reported. That's why this motion was eligible to be moved right now, so whether or not it's efficient isn't... This is a preamble to what was being asked for.

I just want to clarify that this is not about efficiency or inefficiency; it is saying that the reductions and the results of the accelerator fund are not public. It's not about whether they're efficient; it's about whether or not they're public. The third part is to make them public by sending them to our committee. It's a production order for that information.

**Mr. Lloyd Longfield:** On a point of order, Mr. Chair, it seems to me that these points of order from the other side are more points of debate.

If they want to debate the motion, they should get on the speaking list. We have a woman on our committee who's trying to speak over the men in the room, and I would like to hear her speak.

**The Chair:** Okay, listen, what we're discussing here is—

**Mr. Adam van Koeverden:** You said she wasn't listening. It's so condescending.

**Mr. Dan Mazier:** You were talking to her.

**The Chair:** Excuse me.

**Ms. Leah Taylor Roy:** I have a point of order.

**The Chair:** Go ahead, Ms. Taylor Roy.

**Ms. Leah Taylor Roy:** Thank you.

I think one of the members opposite just pointed out that the only connection this motion has to what we have been discussing today is the preamble.

If Mrs. Chatel cannot debate the preamble, what relevance is it? Why are we talking about this motion at all? It needs to have notice.

**The Chair:** No, she can debate the preamble. I have no problem with that.

**Ms. Leah Taylor Roy:** Right, but he's pointing out that it's about just the preamble. That's not what the motion is about.

**The Chair:** It's anything having to do with the motion, including the date. We can talk about it.

**Ms. Leah Taylor Roy:** Right, but the motion has nothing to do with what we were doing today.

They should be required to give notice to put forward this motion, just as Ms. Collins was required to give notice to bring forth a motion. The motion they're putting forward, the content of it, has less to do with what we did today than the motion Ms. Collins put forward.

**The Chair:** I'm not sure I see it that way.

We're running out of time, anyway. It's becoming a bit academic, and we have very little time left.

[*Translation*]

Ms. Chatel, you can continue, but please stick to the motion.

**Mrs. Sophie Chatel:** The reason this motion is in order is because it's related to what we discussed today. That's what I'm talking about today. Why are my Conservative colleagues not allowing—yes, I'm going to say it—a woman to speak in committee? I have a right to speak. On a number of committees of which I've been a member, we've discussed all kinds of topics. On the Standing Committee on Finance, some Conservatives talked about eels, and they were allowed to do that. So enough is enough. I have a right to speak.

So there are a number of tools, such as investments in technology. Paragraph a. of the preamble of the motion says that this tool is not very effective because the oil and gas industry is not interested in it. So other tools are needed, such as an emissions cap in this sector, for example.

There is another tool that my Conservative colleagues don't want to hear about, but that all the major economies in the world use, and that is carbon pricing or a carbon exchange. It was actually a conservative idea in a number of countries. That system is based on market rules. That way, we don't need to use the command and control system, which isn't the approach we favour.

**The Chair:** The motion is specifically about the strategic innovation fund. We're not talking about the government's range of programs, and it's not a matter of determining whether its vision for reducing greenhouse gases is effective or good. The motion is specifically aimed at the strategic innovation fund.

So you may continue, but I would ask you to focus on the content of the motion.

**Mrs. Sophie Chatel:** I'm getting to that.

According to the motion, the fund dedicated to the net zero accelerator initiative isn't very effective. This is not the way for Canada to transition the oil and gas sector to a green economy. So if we can't invest in the—

• (1740)

[*English*]

**Mr. Branden Leslie:** I have a point of order, Mr. Chair.

**The Chair:** Yes, Mr. Leslie.

**Mr. Branden Leslie:** My honourable colleague keeps referencing the word “efficiency” as if it's in this document. It's not.

**The Chair:** No, in French it means “effective”.

**Mr. Branden Leslie:** Okay, well, it's an interpretation issue.

**The Chair:** No, it's just one of those things.

**Mr. Branden Leslie:** I don't know if that's in there either.

**Mrs. Sophie Chatel:** Do I now have to speak English too? Is that what it—

**The Chair:** No, go ahead.

[*Translation*]

You have the floor. Go ahead, Mrs. Chatel.

**Mrs. Sophie Chatel:** I'm being made—

[*English*]

**Mr. Branden Leslie:** It's the interpretation. How am I supposed to know?

**Mrs. Sophie Chatel:** Do I now have to speak English, because you'll make a point of order about my French?

**Mr. Branden Leslie:** I have said no such thing.

**Mrs. Sophie Chatel:** I don't understand.

[*Translation*]

**The Chair:** Go ahead. We have to continue because there are barely four minutes left. After that, I'm going to ask whether there's a motion to adjourn.

**Mrs. Sophie Chatel:** I'd like to summarize my comments. Mr. Mazier moved his motion further to our lengthy discussions about the net zero accelerator initiative. This initiative provides funds for industries to invest in technologies to make them more effective and reduce their carbon footprint and their GSG emissions in their respective sectors. Furthermore, according to the report referred to in this motion, the net zero accelerator initiative does not appear to be as effective as desired. As I said earlier, it would be in everyone's interest to work together towards effective ways of achieving a carbon-neutral economy. That's our objective.

But then my Conservative colleagues are directing all their efforts and strategies towards achieving this objective, while engaging in a magical thinking exercise in the belief that investing in technology will inevitably lead to a carbon-neutral economy. However, as Mr. Mazier himself admits, and in view of the questions we've been asking the commissioner, it appears that certain sectors, unfortunately, like oil and gas, are not taking advantage of the initiative.

And yet, it's a good initiative. We are investing, and using taxpayer money to help these sectors develop technologies that will work much more effectively. The trouble is, it's not working, and that's what we've just learned today. We want it to work, but we can't force companies that don't want to invest to do so, even with our help. We have the financial leverage. Not only that, but we've been talking about billions of dollars in investments to help companies transition to a green economy. The fact is that we need a carbon tax, or an emissions ceiling. We won't get there without these other tools.



The problem is that if we don't have these other tools, we'll have to rely once again on a net zero accelerator fund. That's why we absolutely need other tools in our tool box, and that's what we have. We have several.

[*English*]

**Mr. Branden Leslie:** I have a point of order, Mr. Chair.

**The Chair:** Yes.

**Mr. Branden Leslie:** Could I just seek clarification? I believe you said earlier that we were going to be stopping at 5:45 promptly.

**The Chair:** Well, in a minute I'm going to ask if there's a motion to adjourn.

**Mr. Branden Leslie:** We are into a cover-up filibuster at this point and we don't want this information to come out, so what happens at 5:45?

**The Chair:** No, I'm not saying that. I'm more concerned with the logistics of this meeting.

**Mr. Branden Leslie:** The floor will be maintained by Mrs. Chatel.

**The Chair:** In about a minute, I'm going to interrupt Madam Chatel.

**Mr. Branden Leslie:** Okay.

**Mr. Dan Mazier:** You don't have consent to adjourn the committee.

**The Chair:** No, I'm going to ask if there's a motion.

**Mr. Adam van Koeverden:** You don't need to. You can suspend.

**The Chair:** Well, we have to stop.

**Mr. Dan Mazier:** You can suspend right now if you want.

• (1745)

**The Chair:** Is that what—

[*Translation*]

**Mrs. Sophie Chatel:** I still have some speaking time.

[*English*]

**Mr. Branden Leslie:** We can continue this tomorrow. That's fine.

[*Translation*]

**Mrs. Sophie Chatel:** I still have the floor—

**The Chair:** You have about 30 seconds, Mrs. Chatel.

[*English*]

I guess we have to stop now. The question is—

**Mr. Dan Mazier:** You suspend it.

**Mr. Lloyd Longfield:** I move a motion to adjourn.

**Mr. Dan Mazier:** We've already had that motion.

**The Chair:** Is there consensus? I think we'll need to have a vote.

Do we adjourn?

**Some hon. members:** Yes.

**Some hon. members:** No.

**The Chair:** Okay. We will vote on adjournment, and then we will vote on suspension.

**Mr. Dan Mazier:** No.

**Mr. Lloyd Longfield:** Let's vote on—

**Ms. Laurel Collins:** I have a point of order, Mr. Chair.

**Mr. Lloyd Longfield:** The chair can adjourn at any time.

You can adjourn right now.

**The Chair:** Does somebody want to propose a motion to adjourn?

**Mr. Dan Mazier:** No. Let's suspend.

**The Chair:** I'm asking.

**Mr. Dan Mazier:** Ms. Collins has a point of order.

**Mr. Adam van Koeverden:** I move a motion to adjourn the meeting.

**The Chair:** Let's vote on that.

**Ms. Laurel Collins:** I have a point of order, Mr. Chair. It's maybe more a point of clarification.

**The Chair:** Go ahead.

**Ms. Laurel Collins:** Can you just spell out for me the impact of adjourning versus suspending?

**The Chair:** Suspending means that we start the next meeting debating this motion.

**Ms. Laurel Collins:** That's on Tuesday, but I heard someone in the background say that we can do this tomorrow.

**The Chair:** No, it's not tomorrow. That was an error.

**Ms. Laurel Collins:** Okay. It's at the next meeting.

**The Chair:** Yes.

We are voting on the motion to adjourn.

(Motion negatived: nays 6; yeas 5)

**The Chair:** De facto, then, this is a suspension.

We will suspend. We'll start the next meeting with this debate.

I wish you all a good evening and a good weekend.

[*The meeting was suspended at 5:47 p.m., Thursday, May 2*]

[*The meeting resumed at 3:54 p.m., Tuesday, May 7*]

**The Chair:** Good afternoon, colleagues. We're picking up where we left off on Thursday.

We have with us today, replacing other members, Mr. Trudel for Madame Pauzé, Mr. Boulerice for Ms. Collins, Ms. Lewis for Mr. Kram and Ms. Sidhu for Mr. Longfield.

When we broke on Thursday, Madam Chatel had the floor. I don't know if Madame Chatel has more to say before we go on to Mr. Leslie, Mr. Trudel, Mr. van Koeverden and Mr. Longfield. Mr. Longfield is not here.

**Mr. Dan Mazier:** Mr. Chair, was I on the list?

**The Chair:** No, but I'll put you there.

[*Translation*]

Mrs. Chatel, would you like to continue speaking?

**Mrs. Sophie Chatel:** I'd love to, but I'll turn it over to my colleagues.

**The Chair:** Okay.

I will now give the floor to Mr. Leslie.

[*English*]

**Mr. Branden Leslie:** Thank you, Mr. Chair.

Just to recap, because it was a number of days ago, at the end of Thursday's meeting, we witnessed a surprise filibuster from the Liberals to talk out the clock until the meeting ended. Thankfully, we were able to suspend this meeting. I thank colleagues for that, because I do believe that this is an important issue.

While the Liberals' intent was to avoid a vote at the end of the last meeting regarding the order of production of documents regarding the complete contribution agreements for the net-zero accelerator fund, which was the topic of major conversation from all parties with the environment commissioner before us, this was that same program for which the environment commissioner had discovered that due diligence was not always, if rarely, done before approval of any of the government funding.

The commissioner also found that there was really no clear demonstration of the project's value for money in reducing greenhouse gas emissions.

The commissioner had also found that the initiative was not part of any coherent or comprehensive industrial policy on decarbonization whatsoever.

The commissioner also found that there was a risk of double-counting when tracking emissions reductions, which is of major concern, particularly given that the government made the announcement of its national inventory reporting that same day.

The commissioner found that the government did not follow some of the principles of calculating emissions, which throws into doubt the numbers they announced just a couple hours prior to that.

The commissioner found that, in one project, the department did not include all relevant information in the greenhouse gas assessment exercise, breaching the principles of transparency and completeness.

I could go on about the commissioner's compelling testimony that day, but I think my point is understood and recapped effectively for members and Canadians.

The reality is that the Liberal government has badly mishandled its \$8-billion program. Given that the environment commissioner can't come to conclusions as to whether we received value for mon-

ey, I have no idea how Canadians could possibly figure out if there's been value for money.

Unfortunately, there seems to be a pattern emerging from the Liberals in filibustering.

I had the chance to visit my colleagues at the government operations committee a couple of weeks ago, where we were looking at the intended release of the contracts regarding the electrical vehicle battery plants that have been announced with major subsidies to foreign companies by Canadian taxpayers to bring in Chinese parts and components and have them assembled by foreign workers at the company's choosing.

Obviously, I think it's fully reasonable in that case, just as in this case, to request that the contracts be provided. Obviously, there can be redactions made. I think my colleagues don't want to see any sensitive data released if there are legitimate reasons, but willingness needs to be there to release the contract. We were talking about billions and billions of dollars and a government unwilling to release this.

It's a trend of broken promises. Unfortunately, I don't have time to go through the entire list of broken promises from this government, but this is a reminder that the next time the government says that it is going to spend \$8 billion on something, I think it's reasonable to ask where it's going and what results it is achieving.

This Prime Minister, once upon a time, said that sunshine was the best disinfectant. Once upon a time, this government was going to be open by default. Once upon a time, this was going to be the most transparent government in the history of Canada. Clearly, these are broken promises on the fronts we have looked at in terms of the carbon tax emissions modelling assumptions and data that we have been denied access to, the same as the electric vehicle contracts at another committee.

I hope that my Liberal colleagues will perhaps cease the desire to break those promises, move back towards a desire to be open by default, release the contracts, vote in favour of this motion and not force opposition parties to come together to seek out this information.

Canadians and anybody who watched the testimony of our environment commissioner before us would have the very same questions we are asking.

I hope that we can get quick, unanimous consent to support this motion, hand over the contracts to both the environment commissioner and this committee to make sure that we can review them and get an understanding if there is, in fact, value for money through those.

I know there's a long speaking list, but my hope is that we can get through this very quickly so that we can finish any other committee business and get on to our next study.

Thank you, Mr. Chair.

[*Translation*]

**The Chair:** Mr. Trudel, you have the floor.

**Mr. Denis Trudel:** Thank you, Mr. Chair.

I won't take long. I don't want to go back over the list of all the impediments that my colleague just raised with respect to accountability around this issue.

This whole thing is kind of uncomfortable. We had Mr. DeMarco here to talk about some very uncomfortable things, including the willing buyer-willing seller contracts that we know absolutely nothing about.

I would remind everyone that the net zero accelerator has \$8 billion in funding. Everyone here represents constituents who expect us to do our job, which is to hold the government to account for the money it spends. That is all the more true when the government boasts that it is one of the most progressive governments in the world on a particular issue. MPs in the House of Commons talk about how good we are, how Canada is a leader in the fight against climate change, how things are getting so much better on the greenhouse gas emissions front, how our investments are targeted and how everything is working. However, Mr. DeMarco told us last week that it really isn't working as well as people think despite all the money being spent.

I would like to remind everyone that, according to a report published by the International Monetary Fund, Canada invested \$50 billion in the oil industry in 2022, both directly and indirectly. That really is a lot of money. That's \$50 billion. I would remind everyone that the big five oil companies netted \$200 billion in 2022. Even so, the government is pouring in more cash, and that's not even counting Trans Mountain, which ended up costing \$35 billion even though it was originally supposed to cost around \$7 billion, if I'm not mistaken. It cost about four times more than expected.

The Liberals can't be trusted to manage taxpayers' money in the fight against climate change. That has been clear for a long time.

People can listen to what we're saying. We are the people's representatives. I can't believe this. All we're asking for is accountability for the contracts that were signed. I cannot fathom why we're spending so much time discussing something that should go without saying. We are the people's representatives, and we have to be accountable to the people. People are worried about the fight against climate change. Eco-anxiety is everywhere. We're here, and we're asking ourselves this question.

I won't spend any more time on this. I really hope a vote will allow us to get to the bottom of things. This is the most basic part of our job. It's actually our *raison d'être*. We're here to hold the government to account.

Mr. DeMarco and his team have done an amazing job. We want to take this a step further. We want to find out more about what Mr. DeMarco couldn't tell us last time. I hope members will vote in favour of this motion. I hope my Liberal Party colleagues will see that doing so is essential. This is an important issue for democracy. We're here to represent our constituents, who are concerned about

the fight against climate change. The government needs to be accountable.

That's what I wanted to say.

**The Chair:** Thank you, Mr. Trudel.

Next on my list is Mr. van Koeverden.

The floor is yours.

**Mr. Adam van Koeverden:** Thank you very much, Mr. Chair.

[*English*]

We are totally open to the notion that we produce more evidence on this. I've talked about the poor air quality in Halton. Also, having gone to McMaster University, I've seen the belching black fumes of smoke coming from Dofasco. It's an eyesore and a "lung sore", and it leads to negative health outcomes.

That news was very welcome—that they are going to pursue electric arc technology for steel production in my region, right in line with the Conservatives' approach to technology. This is precisely what we're talking about when we talk about taking innovative steps forward. Supporting innovation at the business level and within academia and science is the approach that our government has taken. For a number of large-scale businesses—at Algoma Steel and at Dofasco in Hamilton—it's been a real success story.

I want to see success stories in Brant county, in southern Manitoba, outside of Quebec City and all across the country. Let's get to it.

The only issue we have is with the amount of time to get good documents, so we'd ask for 14 days, and we can collectively vote. We don't even have to vote, actually. We can move on to other business as long as we all agree.

**The Chair:** Would you rather propose a subamendment—

**Mr. Adam van Koeverden:** If it's necessary to—

**The Chair:** —or do we all agree that 14 days is reasonable?

**Mr. Dan Mazier:** The amendment is, yes, but we still have more discussion.

**The Chair:** I understand, but can we just get rid of the amendment?

**Mr. Dan Mazier:** The extension?

**The Chair:** Yes.

**Mr. Dan Mazier:** So, the ask is what?

**The Chair:** It's 14 days instead of seven.

**Mr. Dan Mazier:** Okay. We're good.

**Some hon. members:** Agreed.

[*Translation*]

**The Chair:** Everyone agrees to extend the period to get the documents.

Let's continue the debate.

Were you finished, Mr. van Koeverden?

**Mr. Adam van Koeverden:** Yes. Thank you.

**The Chair:** Okay.

Mr. Mazier, you have the floor.

[English]

**Mr. Dan Mazier:** Thank you, Mr. Chair.

The matter before us today is extremely serious. There is a glaring problem here that should alarm every Canadian. In fact, after hearing the environment commissioner's testimony and reading his report, I think that this may be the most expensive cover-up since Justin Trudeau was elected.

In December 2020, the Liberals announced the net-zero accelerator. They charged taxpayers \$3 billion to fund it. Less than one year later, they doubled the spending and announced another \$5 billion for this government program, increasing the total cost to \$8 billion.

It is very important to note that the Liberals claim that the purpose of this net-zero accelerator was to reduce greenhouse gas emissions. Their plan was to give away billions in tax dollars to large companies in exchange for a specific reduction of emissions.

Usually when a government announces \$8 billion in spending, they brag about it for years and talk about the results. However, ever since the net-zero accelerator was established, we have barely heard a word from the Liberals on this \$8-billion program. Now we know why they've been so quiet.

Last week, Canada's independent environment commissioner revealed that the government's net-zero accelerator is nothing more than another slush fund. He concluded that the Liberal government "did not effectively manage the...Net Zero Accelerator to decarbonize the manufacturing industries in accordance with Canada's climate goals or with due regard to value for money for Canadians."

Not only did we learn that the government was giving—

**The Chair:** Ms. Taylor Roy.

**Ms. Leah Taylor Roy:** I'm sorry. I don't know if it's a point of order or not, but I believe the member opposite was just referring to something that the commissioner said when he was here, and he did not call it a slush fund. I'm just wondering whether there's something that can be corrected in terms of the record.

**The Chair:** Could you speak to that?

I think you were interpreting what the situation is all about. He didn't say that it was a slush fund.

**Ms. Leah Taylor Roy:** I'm sorry. Could you read it again?

**Mr. Dan Mazier:** No, I didn't say that.

I'll say it again. Let me go back to that: Last week, Canada's independent environment commissioner revealed that the government's net-zero accelerator is nothing more than another slush fund.

**Ms. Leah Taylor Roy:** I don't believe that's what he revealed at all. I've read his report, and he did not say that or reveal that in any

way. You must have listened to a different commissioner than I did because that's not what I heard him say, and that's not what I read in his report.

Perhaps you could reference that.

**The Chair:** Yes, it's a bit of a point of debate.

I think Mr. Mazier is interpreting the larger context. The commissioner clearly did not say that, for the record.

**Ms. Leah Taylor Roy:** Thank you.

**The Chair:** Go ahead, Mr. Mazier.

**Mr. Dan Mazier:** Okay.

He concluded that the Liberal government "did not effectively manage the...Net Zero Accelerator to decarbonize the manufacturing industries in accordance with Canada's climate goals or with due regard to value for money for Canadians."

Not only did we learn that this government was giving away billions of dollars without measuring the value for money but we also learned that the government has no clue if the money is reducing emissions.

The environment commissioner literally stated that the majority of funding was approved by the Liberals without any commitment to reduce emissions.

**Mr. Adam van Koeverden:** I have a point of order, Mr. Chair.

**The Chair:** It sounds like a point of debate.

**Mr. Adam van Koeverden:** Well, no, it's not.

We can't freelance on the Attorney General's and the commissioner of the environment's testimonies when they come and read their speeches. I don't think it's appropriate for us to politicize non-partisan people.

This committee has continued—

**Mr. Dan Mazier:** Mr. Chair, it's not a point of order.

**The Chair:** To be honest—

**Mr. Adam van Koeverden:** I'm not done. My point of order is coming.

Look, this committee is continually being used by the Conservatives as a place to protest various things. That's fine; it's their time. However, the commissioner of the environment—

**The Chair:** What is the point of order?

**Mr. Adam van Koeverden:** The commissioner of the environment did not come here and say any of those things. What he said was that, in addition to other investments, decarbonizing steel production in Canada is one of those tools that has been used.

**The Chair:** This is debate, but is that the point of order?

**Mr. Adam van Koeverden:** Well, it's protest at the committee, and it's a waste of time.

**The Chair:** Okay, but I think—

**Mr. Dan Mazier:** It's a waste of time to consider \$8 billion.

**The Chair:** Colleagues, when the chair has the—

**Mr. Adam van Koeverden:** It's not true. You're just protesting. Keep it up.

**The Chair:** When the chair has the floor—

**Mr. Adam van Koeverden:** We agree with you. We're going to do—

**The Chair:** We'll have a break and just prolong this meeting.

The words of independent watchdogs are used politically all the time in this business.

Go ahead, Mr. Mazier.

**Mr. Dan Mazier:** Thank you, Mr. Chair.

The environment commissioner literally stated that the majority of funding was approved by the Liberals without any commitment to reduce emissions. Think about that. The Liberals are giving away billions of dollars in the name of emissions reductions without knowing that—

**Ms. Leah Taylor Roy:** I have a point of order.

**The Chair:** Is this a point of order or a point of debate?

**Ms. Leah Taylor Roy:** Well, maybe you can clarify how you challenge when a member is quoting or saying that he “literally” said.

**The Chair:** You get on the speaking list.

**Ms. Leah Taylor Roy:** No, but there has to be something about facts, about lying in the committee. He didn't state that the Liberals had done that.

**The Chair:** Could you repeat what you said?

**Ms. Leah Taylor Roy:** No, he stated that the Government of Canada had done that, quite frankly. If you want to quote the commissioner, then get it right.

**Mr. Dan Mazier:** I did quote it exactly right—literally.

**The Chair:** Could you repeat what you said about the...?

**Mr. Dan Mazier:** Sure.

The environment commissioner literally stated that the majority of funding was approved by the Liberals without any commitment to reduce emissions. It was in the report.

**Mr. Adam van Koeverden:** That's false.

**Ms. Leah Taylor Roy:** He did not literally state that.

**Mr. Dan Mazier:** Can I get on with my statement?

**The Chair:** Yes, go ahead.

We know what you're saying—

**Mr. Adam van Koeverden:** [*Inaudible—Editor*] call you a liar here.

**The Chair:** You're saying the government, the Liberal government.

Okay, let's keep going.

**Mr. Dan Mazier:** Think about that.

Obviously, I've hit a bit of a nerve here, Mr. Chair.

**Ms. Leslyn Lewis (Haldimand—Norfolk, CPC):** This is a part of the House. You don't know procedure. This is a part. This whole core is a part. It is unparliamentary.

**The Chair:** I may suspend—

**Ms. Leslyn Lewis:** We're governed by the rules also.

**The Chair:** Yes, and you're supposed to be governed by the chair.

Let's just move on because it's going to degenerate. Then I'll pause the meeting, and as I said, we'll have to go later.

Obviously, let's be careful with the words we attribute to the commissioner.

Keep going, please.

**Mr. Branden Leslie:** I have a point of order, Mr. Chair.

Perhaps I could ask for clarification on what my colleague across the way said. Can we call somebody a liar at committee?

**A voice:** No, we can't.

**The Chair:** I didn't hear that. Did somebody call someone—

**Mr. Branden Leslie:** My understanding is that that's unparliamentary and that you can't do that. I just want to get clarity for the future.

**The Chair:** I'll find out.

We'll suspend for a minute.

**Ms. Leah Taylor Roy:** Mr. Chair, if you're suspending, could you also check on whether we're allowed to misstate or lie about what is said by someone else who has testified in committee? Is that part of a rule of the House as well?

**The Chair:** Yes, I'll check.

• (1614) \_\_\_\_\_ (Pause) \_\_\_\_\_

• (1616)

**The Chair:** The chair does not have the same powers as the Speaker does in the House. He cannot censure behaviour that brings disorder to the committee. I have no policing powers per se.

I think we have to be careful of our language in the committee—like we are in the House.

You can continue, Mr. Mazier.

**Mr. Dan Mazier:** I have a point of clarification.

**The Chair:** There's a point of order.

Go ahead.

**Ms. Leah Taylor Roy:** It is actually a point of clarification, so if you have another point of clarification, go first.

**The Chair:** I'm sorry. Who's speaking?

**Ms. Leah Taylor Roy:** I asked you also if you could, since the member opposite mentioned that the same rules apply here as they do in the House, find out whether contempt of the House in making misleading statements also applies here?

**The Chair:** Well....

**Ms. Leah Taylor Roy:** Yes? Okay, that's great. Now I know what to say: contempt of the House.

**Mr. Dan Mazier:** As a point of clarification, I'm not misleading anybody. This is factual. This is what the commissioner said: "The majority of the contribution agreements [have no] commitment for reductions". He said that. The clerk can say—

**The Chair:** Okay, it's a quote.

**Mr. Dan Mazier:** It was in his testimony, so enough of this misleading.... I'm not misquoting anybody.

**The Chair:** You're not misquoting. Okay.

**Mr. Dan Mazier:** He literally said that.

**Ms. Leah Taylor Roy:** I was referring to the other point where you said that he literally stated that the Liberal government—

**Mr. Dan Mazier:** Your point of order was on this so that's what I'm speaking to.

**Ms. Leah Taylor Roy:** Then I raised the other one on when you said that he "literally" said, but then what you said there was not what he literally said.

**The Chair:** I think on the first one I made the point, for the record, that he did not literally say that. In this case, there's a quote, I believe.

You're quoting him.

**Mr. Dan Mazier:** He did it in his testimony, so, being called a liar on that statement, I would ask for an apology.

**The Chair:** Again, I have no enforcement powers. If Mr. van Koeverden—

**Mr. Adam van Koeverden:** I'm more than willing to apologize.

**The Chair:** Okay, there we go.

**Mr. Dan Mazier:** I shall proceed. The Liberals are giving away billions of tax dollars in the name of emissions reductions, without knowing if there will be any emissions reductions.

When I asked the commissioner if the government is being fully transparent about the emissions data they share with Canadians, he stated, and I quote: No, they are not fully transparent.

In fact, the environment commissioner revealed that the Liberals are inflating their emissions reduction data, even stating that the government may be double-counting the emissions reductions being reported—yes, double-counting.

This is absurd, Chair. How can Canadians believe any of their emissions reports if they're fabricating the numbers?

Let's define the word "fraudulent". According to the Cambridge Dictionary, fraudulent is defined as "not what it claims or pretends to be". According to Canada's environment commissioner, the actual emissions reduction data is not what the Liberals claim it to be. This sounds fraudulent to me.

**Ms. Leah Taylor Roy:** Mr. Chair, once again, I'll just say that he's making misleading statements.

**Mr. Dan Mazier:** Is this a point of order?

**Ms. Leah Taylor Roy:** Yes. It's suggesting that you're in contempt of the House by making misleading statements knowingly. You are basically saying that what he said may have been happening, in fact, was happening, and that it was done intentionally by the Liberal government. That was not what the commissioner said, and you are misleading this committee and people listening to it by saying what you're saying. If you would stick to the facts and just quote the commissioner, I'd be quite happy, but when you continue to politicize it the way you are, it's not accurate.

**Mr. Dan Mazier:** Do I have to pull the video clips again?

**The Chair:** Well I think in terms of—

**Mr. Dan Mazier:** He did say that, and fraudulent is a definition in the English language. I can't help that—

**The Chair:** Again, it's all about whether we're—

**Mr. Dan Mazier:** —and if they're fraudulent, they're fraudulent.

**The Chair:** I think what he said was that, the way the system works—and it's not an intention to be fraudulent—sometimes you could have a situation of double counting. However, in my view, from what I heard, the system wasn't designed to be like that. It's just a situation that drops—

**Mr. Dan Mazier:** The problem is that it's being—

**The Chair:** —out of the way the system is structured.

In any event, continue, but let's try not to create too much conflict. Obviously, you have a point you want to make. Make it.

**Mr. Dan Mazier:** Thank you, Chair.

Why on earth is this government giving away billions of dollars without having any idea how many emissions are being reduced, if any. To make matters worse, the government hasn't released the funding agreements to the public, so we don't even know who this money went to or why. This is absurd.

That's why I move this motion to obtain this information. If the Liberals are spending \$8 billion in tax dollars, Canadians rightfully deserve to know what their money is being spent on. There is no reason why these funding agreements cannot be handed over to the committee.

The Prime Minister promised that his government would be the most transparent government in Canadian history, but we have continuously witnessed this government blocking the committee from obtaining information. Not only must we uncover the funding agreements for this \$8-billion slush fund. We also need to obtain the progress report of the net-zero accelerator.

According to the environment commissioner's report, the government is also hiding the net-zero accelerator's emissions report from Canadians. He said, "The tracker is a tool that was designed to measure the Net Zero Accelerator's progress toward an internal target set by the department itself and is not public."

Canadians deserve to know the truth behind this slush fund. In the environment commissioner's 2023 report, he stated, "The federal government is not on track to meet the 2030 target to reduce greenhouse gas emissions...."

It's very clear why the Liberals are refusing to release this information to Canadians. Their environmental record is a failure. In fact, Canada dropped four rankings in climate change performance last year despite this \$8-billion slush fund and another carbon tax increase.

Chair, I will remind this committee that just last year another Liberal slush fund was exposed, so I think it's imperative that we get to the bottom of this. Last year, we learned that the Prime Minister hand-picked a chair to run another billion-dollar green fund. Canadians eventually found that the chair of the green tech slush fund siphoned \$217,000 of taxpayer dollars to her own company. That green slush fund was exposed for gross mismanagement and multiple conflicts of interest. In fact, the government official confirmed that no action was taken after these conflicts of interest were exposed.

Chair, my point is that there is a glaring history of corruption and cover-ups with this Liberal government. It is essential that we get to the bottom of this, given the environment commissioner's damning report.

[*Translation*]

**The Chair:** Mr. Deltell, you have the floor.

**Mr. Gérard Deltell:** Thank you, Mr. Chair.

For those tuning in, I would remind you that we're holding this debate as a result of a meeting we had five days ago here at the Standing Committee on Environment and Sustainable Development with the commissioner of the environment. As everyone knows, the commissioner and his team are independent people who document specific issues and take an objective look at them. They have tabled five reports for us to look at, reports that could be the subject of political debate. That's why we're in politics, by the way. We have opposing views, and that's as it should be. That's called democracy, and our forums are the House of Commons and parliamentary committees like this one.

One of the environment commissioner's reports was on the strategic innovation fund's net zero accelerator initiative to decarbonize manufacturing industries. The net zero accelerator initiative is a program that pays companies to reduce their greenhouse gas emissions, thereby reducing pollution. This program is not small potatoes; its budget is \$8 billion. For those tuning in at home, I'll point out that eight billion of their income tax dollars, not their GST dollars, will be spent on this. I want to make that clear because we learned when the budget was tabled that \$54.1 billion will go to paying interest on the debt, and that happens to be exactly how much Canadians shell out in GST. Every penny Canadians pay

in GST goes to paying interest on the debt. None of it is used to fund this kind of program.

Now, has the program panned out? In our opinion, the answer is no, not at all. That's why we had questions for the commissioner of the environment. His answers were damning, to say the least. I started by asking him if it was effective and efficient, and he replied, "I'm not convinced it's effective. It might be if they're lucky, but it wouldn't be thanks to any grand plan...."

If it's luck you want, go to the casino across the Ottawa River.

**Mrs. Sophie Chatel:** That's my riding you're talking about.

**Mr. Gérard Deltell:** I have nothing against the place you have there, but it's not the kind of place where the government should be investing \$8 billion of taxpayers' money. I think the member would agree.

Conservatives aren't the ones saying it might work if we're lucky. It was the environment commissioner himself. He and his experienced team spent days and days studying the actual results of the accelerator that the government spent \$8 billion of taxpayers' money on, and he concluded that he can't be sure it's working, but it might, with luck. There's no substance. We're not the ones saying that; it's the Ethics Commissioner, or rather the environment commissioner, sorry. There's been an awful lot of talk about ethics with this government, but I meant the environment commissioner.

We asked the commissioner questions about another topic, and he told us that he had never seen the carbon tax calculation model. That's a big deal. We're all here to reduce greenhouse gas emissions, shrink our environmental footprint and cut pollution. The duly elected government chose to do that by imposing a carbon tax. We're against that, but the government is in favour of it, and that's fine. That's democracy, but we still need to know if the program is working. When we asked the environment commissioner if it's working—I'm talking about the carbon tax, not the \$8-billion fund—he said that he had never seen the carbon tax calculation model.

When you institute something like a tax, which involves a certain amount of money, the least you can do is figure out if it works or not, and there are ways to calculate that. However, the environment commissioner, whose job is to audit the effectiveness of certain government programs, said that he has never seen the carbon tax calculation model. We need to get to the bottom of this, Mr. Chair.

In response to a specific question from Mr. Mazier about how emissions reductions were calculated, a departmental official whose name I don't have—I just want to clarify that it wasn't the commissioner himself—confirmed that, in some cases, the same effect could be calculated twice.

As it turns out, it's possible to count emissions reductions from the same source twice. That's not very rigorous. Once again, Mr. Chair, this isn't coming from Conservatives. There were about 30 people here. They were well equipped. They had clearly taken their work seriously and done it thoroughly.

I also want to remind the committee of something that the commissioner of the environment and sustainable development said during our discussion. He said that most of the projects do not include commitments to reduce emissions. Most of them, Mr. Chair. I can see why that might be the case once or twice, here and there, but for crying out loud, most of the projects had no commitment to reduce emissions. What is the point of these projects if they're not reducing pollution and greenhouse gas emissions?

[English]

This is serious business, Mr. Chair.

We're talking about \$8 billion of the taxpayers' money to be sure to reduce emissions.

Let me be clear, Mr. Chair. All of us here around this table share the same objective to reduce pollution and reduce emissions.

There are different ways to address it. The government—and it has the mandate to do that—proposed a taxation on the price of the pollution. The way we see it, this is not the way to reduce the emissions, but this is the debate. This is what democracy is all about. They agree; we disagree. Well, this is what Parliament is all about, and we shall protect this diversity of points of view. However, something that is very important is to share the same goal to reduce emissions, and to see if the way we address it is efficient.

[Translation]

Are the emissions reduction measures effective or not? In this case, Mr. Chair, we feel that the work was not done properly and that the goal to reduce greenhouse gas emissions is not being achieved at all, as the commissioner said. He said that he isn't convinced it's effective; that if it is, it might be mere luck; that he doesn't have the carbon tax calculation model; that, in some cases, an emissions reduction had been counted twice; and that most of the projects included no commitment to reduce emissions.

That's why my colleague, Mr. Mazier, tabled his motion, which quotes the commissioner's report. It begins as follows:

Given that Canada's Environment Commissioner reported:

a. That the Liberal government ...

This is from paragraph 4.72 of the report. This is important. Listen to this:

... did not effectively manage the Strategic Innovation Fund's Net Zero Accelerator to decarbonize the manufacturing industries in accordance with Canada's climate goals or with due regard to value for money for Canadians";

That's not from the official opposition's environment critic. The commissioner of the environment and sustainable development himself wrote it right there in black and white in paragraph 4.72 of his report on the \$8-billion net zero accelerator initiative, which found that it was not handled properly. That's why the motion goes on to say:

b. That the emission reduction progress and results of the Liberal government's \$8 billion, Net Zero Accelerator are not public to Canadians.

The motion ends as follows:

The committee order the production of (i) the government's complete tracker tool used to measure the Net Zero Accelerator's progress and results, (ii) all internal Net Zero Accelerator targets set by the government, including the government's Net Zero Accelerator emission reduction target, and (iii) all complete contributions agreements signed, to date, for the Net Zero Accelerator, within one week of this motion being adopted.

We did adopt our Liberal colleague's amendment to give the government two weeks instead of one. We're absolutely fine with that. We'll take as much time as we need, but we need to see results.

In essence, Mr. Chair, we're here because the commissioner said that the whole thing was nice and all, but it isn't producing the desired results. We're here because we want real results so we can have an actual substantive debate about what works and how to bring about real, effective, practical, non-dogmatic greenhouse gas emissions reductions in the interest of Canada's future.

Thank you, Mr. Chair.

**The Chair:** Mr. van Koeverden, go ahead.

[English]

**Mr. Adam van Koeverden:** Thank you, Mr. Chair.

Thank you to my colleagues for their speeches.

I want to get some things on the record with respect to the net-zero accelerator fund. While I totally appreciate the desire for more information, I want to put in context some of these investments and what they mean for our region in southwestern Ontario, as well as for Sault Ste. Marie, in the context of Algoma Steel.

The members continually suggested that there were no earmarked emissions reductions attached to these investments, which is simply not true. For the Dofasco project on its own \$400 million was announced, which will help cut carbon emissions from steel production at that facility in Hamilton by more than half. Their emissions will be reduced by 60%. This has been widely reported on. I'm not looking at a government document; it's just all of the news that came out on that great day three years ago when we were able to announce that by 2028 steel production in Hamilton wouldn't be as dirty as it always has been.

I used to work in steel in Hamilton, and it's a pretty dirty job, I have to say. My job was sweeping the floor and grinding the rust off steel that was stored outside. It's a dirty job but it doesn't have to be that dirty. It certainly doesn't have to pollute as much as it does.



The CEO of ArcelorMittal said the company was proud of the government for stepping up and that this investment would contribute to a 60% reduction in their emissions. Their emissions are very high. Both that plant and the one in Sault Ste. Marie will lower emissions by six million tonnes a year. That's really significant. Six million tonnes a year is six megatonnes. That would get us pretty close to under 700 megatonnes, which is one of those targets.

I also heard repeatedly that we're not on track to meet our emissions targets, but that's not true either. We are on track to meet our 2026 target, which is really great news.

Taking the report at face value is important, and one of the findings was that by 2026 we'll be right on target. We need to take further steps in order to reach our 2030 targets.

Let's go back to six million tonnes a year in emissions reductions. That's just carbon emissions, by the way. There's a lot of other stuff that goes into the air when we use coal to produce steel. It's going to mean a healthier environment. It's going to mean lower emissions. It's going to mean fewer upper respiratory tract infections. It's going to mean less respiratory distress in the summer.

It's the equivalent of taking 1.8 million vehicles off road. That's almost the number of passenger vehicles in Toronto, Montreal and Vancouver combined. That's remarkable. That's remarkable progress, and that's the power of investing in technology with these companies.

Using technology is one of the ways of making sure we reduce our emissions. That annual reduction of three million tonnes accounts for 30% of Hamilton's entire emissions reductions. It's 30% of their emissions total. They currently emit 11 million tonnes of greenhouse gases annually, and Dofasco contributes almost half, 4.8 tonnes. It says 4.8 tonnes, but I'm going to presume that maybe it means 4.8 million. It might be a typo. I'm just reading from the article.

**Mr. Dan Mazier:** You don't know?

**Mr. Adam van Koevorden:** I don't know, because I'm reading from a CBC article, Dan.

**Mr. Dan Mazier:** I understand. That's CBC.

**Mr. Adam van Koevorden:** The number's here, but it's an important number. It's 30% of Hamilton's emissions overall. I'm just doing the math in my head and 4.8 over 11 is about 30%, and it doesn't say million after the 4.8.

This is good news. It's really good news for my community. It's really good news for Clean Air Hamilton, and one of my former professors at McMaster, a professor of geography, was talking about how important this is.

Steel production is filthy. We can do something about it, and we are. By 2028, emissions from steel production at Algoma and at Dofasco in Hamilton are going to be quite a lot lower, and that's something we can all celebrate.

I welcome a vote on this so we can go to the next item.

**The Chair:** Seeing as we have no more speakers, we'll go to the vote on the main motion. We did the amendment; there was UC.

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

[Translation]

**The Chair:** Does anyone else have anything to say before we go in camera?

**Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP):** Mr. Chair, we should deal with the motion by my colleague from Victoria, Laurel Collins.

**The Chair:** Okay.

**Mr. Alexandre Boulerice:** May I read it, Mr. Chair?

**The Chair:** Yes, of course.

**Mr. Alexandre Boulerice:** The motion has already been sent.

**The Chair:** She did indeed give notice of the motion.

**Mr. Alexandre Boulerice:** That's perfect.

I would like to move the motion so that we can discuss it now.

That, pursuant to the motion passed on Tuesday, April 30th, 2024, the committee summons, pursuant to Standing Order 108(1), the following to appear before the committee: Mr. Rich Kruger, CEO of Suncor Energy Inc., Mr. Brad Coron, CEO of Imperial Oil Ltd., Mr. Jon McKenzie, CEO of Cenovus Energy Inc., and Mr. Greg Ebel, CEO of Enbridge Inc. to appear May 23rd, 2024 for two hours to brief the member of the committee on their efforts to significantly reduce emissions to meet Canada's international climate commitments amid their record-breaking profits since 2021, and that the committee publish a report on its findings and table it in the House.

**The Chair:** Colleagues, before we begin debate on the motion, I have a couple of news items.

As I understand it, the five witnesses are available during the week of June 3, but not necessarily on the same day. Two of them are available on June 4, and three of them are available on June 6. I should add that they will be testifying by videoconference. It is up to the committee to decide if that is acceptable.

In short, what I'm trying to say, Mr. Boulerice, is that the motion may be moot, because these people have already agreed to come and testify before the committee. That said, it may take place over two meetings.

I wanted to let the committee know before we get into debate.

Mr. Deltell, you now have the floor.

**Mr. Gérard Deltell:** We agree on them testifying; it's what we want.

The question I want to ask is more technical and has to do with the translation.

In the French version of the motion read by Mr. Boulerice, it's written that "*le Comité convoque les personnes suivantes*". In the English version, it reads: "the committee summons". The words "summons" and "*convoque*" don't mean the same thing, I think.

I don't want to call myself a translator, but I'm thinking out loud. Can we change "May 23, 2024" to "by June 6, 2024"?

**The Chair:** What did you say?

**Mr. Gérard Deltell:** I think Mr. van Koeverden can help me understand the meaning of the English version. In the English version, it reads "the committee summons". That means if the person doesn't show up, the RCMP will show up at their place.

**The Chair:** I don't know if that's what it does for....

Mr. van Koeverden, can you enlighten us on the matter?

[*English*]

**Mr. Adam van Koeverden:** I think we should actually use the French and translate the correct word, because I don't think we used our summoning power. Summoning is something different.

If they refused and we said that we absolutely need them here, then we could have summoned them, but that's not what we did. I think the French is correct and we should amend the English.

[*Translation*]

**The Chair:** Indeed, the French translation of "summons" is "*convoquer*".

**Mr. Gérard Deltell:** Does that mean the RCMP will go to them if they don't show up?

**The Chair:** Unless I'm mistaken—it seems to me we've already done this—there is a second step.

If these people tell us they won't come and testify, we will have to start thinking about measures to take, but that's not currently the case. The RCMP won't go to them, no.

Mr. Boulerice, you have the floor.

**Mr. Alexandre Boulerice:** To avoid any issues, I'm ready to change the wording to "called on to appear", "called on to testify" or "invited to appear". I have no problem with using terms that aren't as loaded, that weigh less heavily. I was not aware of all the information, and I was not aware that they were ready to appear before the committee. If we decide to change the date and write "by June 6", I'm fine with that.

**The Chair:** The motion proposes that witnesses be invited to appear by May 23.

**Mr. Gérard Deltell:** It reads: "be invited to appear on Thursday, May 23".

**The Chair:** We could indeed make the amendment.

Do you agree in principle that witnesses appear separately, meaning there will be one group of two and one group of three?

I see you nodding yes.

**The Chair:** Imperial Oil Ltd. and Enbridge Inc. are ready to appear for an hour on June 4, whereas Suncor Energy Inc., Cenovus Energy Inc. and Shell are ready to appear for an hour on June 6.

Does that work for everyone?

**Mr. Alexandre Boulerice:** Yes, we have a total of two hours as well as all the people we wanted to have appear.

**The Chair:** Do we really need to pass a motion, then?

**Mr. Alexandre Boulerice:** I prefer that the committee pass a motion properly, just in case there's any unpleasant surprises over the coming days or weeks.

[*English*]

**The Chair:** Are we okay with summoning them, even though they've agreed to come?

**Mr. Gérard Deltell:** Just to be sure, it's a serious invitation, but the RCMP will not go there.

**The Chair:** There's never been a question of the RCMP.

**Mr. Gérard Deltell:** With the big hat and everything.

**The Chair:** If we pass this motion, we are summoning these five CEOs when, in fact, they've agreed to come anyway. It seems to me to be a little disingenuous to summon them.

[*Translation*]

**Mr. Alexandre Boulerice:** Mr. Chair, if you're not comfortable with the term "summons" in English, we can replace it with a translation of "*invite à comparaître*".

**The Chair:** That's where I was coming from.

**Mr. Alexandre Boulerice:** I don't see any problem with the change, but I would still like the motion to pass officially.

**The Chair:** That's perfect.

Excuse me, give me a moment.

I forgot, but we already passed a motion to invite them.

**Mr. Gérard Deltell:** The difference is that this one includes the appearance date.

**The Chair:** The date was included in the other motion, in which we invited them to appear by June 6 at the latest. The motion already passed and the invitation was already sent. I would imagine they offered to come on June 4 and 6 because they saw the original motion.

Since they agreed, you'll understand that the word "summons" seems a bit strong, a bit sharp. We can't look ridiculous either.

**Mr. Alexandre Boulerice:** Mr. Chair, you're asking me to make a considerable personal effort to avoid looking ridiculous.

I agree with the fact that if an identical motion already passed regarding the same CEOs and the same deadline, we really don't need to pass this one today.

**The Chair:** In any case, it's not time wasted, because we agreed on the fact that if they don't appear on June 4 or 6, that's the next step.

**An hon. member:** Otherwise, we'll send the RCMP. Ha, ha!

**The Chair:** Ha, ha! Exactly.

Everything is in order.

Mr. Boulerice, do you withdraw the recent motion with the more loaded term?

**Mr. Alexandre Boulerice:** I withdraw the motion.

**The Chair:** Does the committee unanimously agree for Mr. Boulerice to withdraw his motion?

(The motion is withdrawn.)

It's settled.

If there's no other point to raise, I would like us to go in camera to discuss a few minor points of future business. It won't take long.

In fact, it's on the agenda, and now we're ahead of schedule. We were supposed to start discussing future business at 5:30 p.m., and we can now do it as of 5 o'clock.

I will conclude this part of the meeting and we will continue in camera in 5 minutes.

The meeting is suspended.

*[Proceedings continue in camera.]*

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Remarks by Jennifer Withington

Remarks by Jennifer Withington

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