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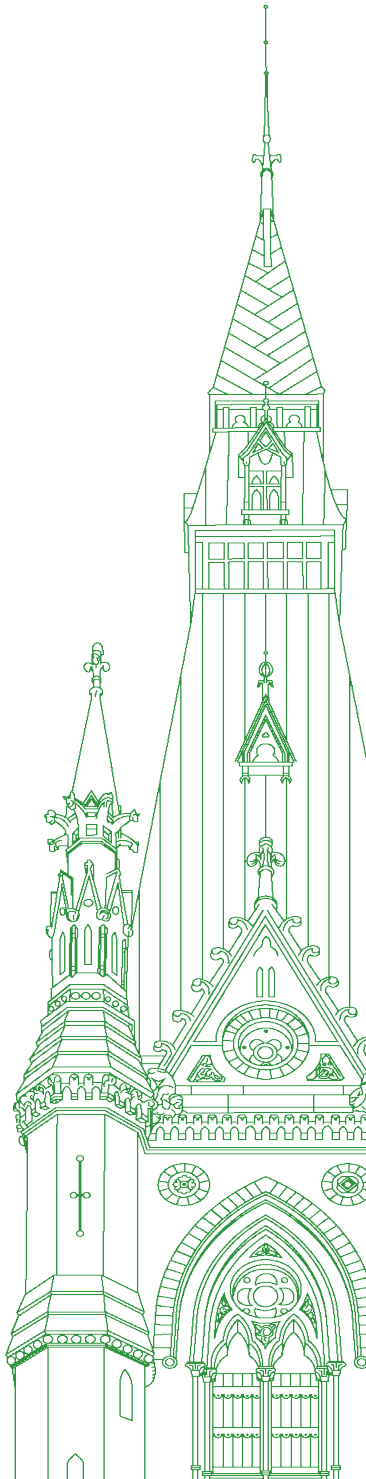

Chair: Angelo Iacono

Standing Committee on Environment and Sustainable Development

Thursday, November 20, 2025

● (1100)

[*English*]

The Chair (Angelo Iacono (Alfred-Pellan, Lib.)): I call the meeting to order.

[*Translation*]

Good morning, colleagues.

[*English*]

Today is meeting number 15 of the Standing Committee on Environment and Sustainable Development.

This meeting is taking place in a hybrid format and is in public. We have witness testimony for two hours.

For those here in person, please follow the health and safety guidelines on the cards found on the table to prevent audio or feedback incidents.

[*Translation*]

I'd like the committee to adopt the three budgets distributed by the clerk. These amounts are to reimburse the witnesses for their expenses for appearing, as well as our own logistics costs.

First of all, is it the will of the committee to adopt a budget in the amount of $1,000 for the study of the copper redhorse's critical habitat in the Verchères Islands?

Some hon. members: Agreed.

● (1105)

The Chair: Perfect. That budget is adopted.

Next, is it the will of the committee to adopt a budget in the amount of $1,000 to consider a draft report on the study of climate and environmental impacts related to the Canadian financial system?

Some hon. members: Agreed.

The Chair: That budget is adopted.

Finally, is it the will of the committee to adopt a budget in the amount of $38,500 for a study on protecting Canadian residents from extreme weather events?

Some hon. members: Agreed.

The Chair: That budget is adopted.

Thank you very much, colleagues.

We will continue with the next steps.

The committee is resuming its study of the electric vehicle availability standard. This morning, the committee will hear from the following witnesses.

[*English*]

From the Canadian Charging Infrastructure Council, we have Travis Allan, president and chief executive officer. Welcome.

[*Translation*]

I'd like to welcome the co-founder and CEO of Edison Motors, Eric Little.

[*English*]

From Greenpeace Canada, we have Keith Stewart, senior energy strategist, by video conference. Welcome.

Witnesses, when you see this yellow card going up, I'm telling you that you have one more minute to complete your thoughts. When we get to this card, you have no more minutes, but finish your sentence. I'll give you time for that.

Thank you very much.

[*Translation*]

Each speaker will have five minutes for their opening remarks.

We'll begin with Mr. Travis Allan.

[*English*]

The floor is yours for five minutes.

[*Translation*]

Travis Allan (President and Chief Executive Officer, Canadian Charging Infrastructure Council): Good morning, Mr. Chair and members of the committee.

Thank you for the invitation to appear before you.

My name is Travis Allan, and I'm the president and CEO of the Canadian Charging Infrastructure Council.

[*English*]

We are an industry association that represents over half of the EV charging stations in Canada, and our objective is to expand Canada's charging infrastructure. When we do that, we create jobs, we attract investment and we leverage Canada's clean energy advantages.

Over the coming decades, if Canada is able to achieve its electrification objectives, our industry will commit billions of dollars to the Canadian economy, and as you likely know because you've been studying this matter, transportation is Canada's second-largest greenhouse gas emissions contributor on a sectoral basis and charging is, of course, fundamental to trying to get that under control.

Canadians, when surveyed, will typically tell you that the availability of home or near-home charging and public charging is essential in their decision to adopt an EV, so how we get there is primarily a question of economics. At the end of the day, the charging industry is a commercial business, and particularly when we look at public fast charging, the cost of the newer, faster charging stations that are being deployed all over Canada can be around $125,000 per port. The way that you convince capital providers to fund those stations is by looking at the anticipated demand for EV charging, which is typically measured by the number of vehicles on the road, and, of course, you need to look at the cost factors.

The money that is invested isn't just for the charging stations. In fact, most of it is typically spent on local trades across Canada, like electrical contractors and civil contractors. This is obviously a massive infrastructure project, and the only thing right now that is creating some real headwinds in the space is questions around the regulatory and financing structures that have been put in place to help catalyze this industry.

The specific challenge is that unlike an industry that's in a steady state model, the EV charging industry is being buffeted by trade challenges from our southern neighbours, but it is also being asked to invest not with a one-year return horizon but, typically, with a 10-year return horizon.

We need to forecast not only the charging right now but the charging five to seven years in advance. Whenever those financial models are put together for capital providers, they use the EV availability standard as the floor. That is the regulatory floor that allows them to make appropriate assumptions about the revenue that is required, so if we're going to meet Canadians where they are with respect to charging access, we need to find a way to give capital providers the certainty they need to green-light those investments.

So far, our industry has done very well. We estimate that we have about a million EV drivers in Canada, or folks who've chosen EVs, and we have over 7,500 public charging ports the last time I checked. We have 30,000 public level 2 charging ports, and many residential stations, because that's where most Canadians will charge between 70% to 90% of the time if they have access. This roughly lines up with the ratios that we believe are warranted based on the current stock of electric vehicles. Not only that, but we are on track to continue to achieve the targets under the current EV availability standard if we continue with the rate of investment that has been over 25% for the last five years running.

If the EV availability standard is reduced, that means capital providers will not green-light as many new stations, and the implications can be very significant.

● (1110)

We have done some analysis at CCIC in a recent policy-maker brief and found that if the target is changed from 60% by 2030 to 40%, this is likely to result in a 38% decrease in the number of charging stations that would be built. If that target goes down to 30% by 2030, it is likely to result in a 62% reduction in stations built versus what would have been built under the current targets, simply because there is a cumulative impact. Every year all the way up to the 2030 target, you're seeing fewer EVs sold, which means there's lower demand, so you get non-linear impacts.

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

[*Translation*]

Mr. Little, the floor is yours for five minutes.

Eric Little (Co-Founder, Chief Executive Officer, Edison Motors Ltd.): Thank you, Mr. Chair.

My name is Eric Little.

[*English*]

I am the CEO of Edison Motors. We are building electric hybrid semi-trucks in Golden, British Columbia. That's a rural town. We employ 32. We're a small business, but we are growing very quickly.

We have become one of Canada's fastest-growing clean technology companies. It basically started four years ago in a backyard in Merritt. Now we have a valuation of $300 million Canadian. We're growing and trying very hard to commercialize our technology.

The semi-trucks we build are electric. They are powered exclusively from a battery. This battery powers a suite of train motors, meaning that, quite frankly, this technology was going to happen eventually. We're just very lucky to be able to build it right here in Canada.

What's really important to note is that it is a hybrid. These semi-trucks that we build are powered from a battery, but it is charged throughout its working day by a diesel generator. It basically uses all the benefits of an electric vehicle. You have regenerative braking. By the way, in a traditional semi-truck, you need to burn more fuel to slow down the vehicle because they're just so heavy, so regenerative braking is going to be awesome for this.

Furthermore, the efficiency of the drivetrain itself means that, cumulatively, these vehicles have a 30% fuel reduction. That's a minimum. There will be applications like logging—we're former loggers— where it could be upwards of 90% because you go uphill unloaded and then you come downhill loaded. You can use gravity to produce more energy to charges your batteries. It's really cool stuff.

Fundamentally, the reason I'm here today is while we have all the benefits of building an EV right in Canada, unfortunately, there's a bit of a roadblock in terms of the environmental regulation itself. Under CEPA, there is a very specific regulation called the hybrid alternative engine standard. This does not allow Edison to use a diesel generator engine on an on-road vehicle. Because of this, we've actually been forced as a business to switch totally from hybrids to building traditional trucks, which is not the goal of this committee nor our business because we have thousands of fans and investors that have supported us throughout this journey to build hybrids right here in Canada.

I did provide a brief to the committee. What this really provides is a recommendation pathway to try to address our issue. It's a very simple amendment with two core parts.

The first thing I'd like to say is that we've worked very closely with the department, ECCC. They've been incredibly supportive. They actually helped me write, at least in part.... They provided their support in writing the amendments that I provided the committee.

First and foremost, it's to include EPA-certified diesel generator engines for our trucks. This is really critical because it allows us to not need to recertify an engine that's already certified in Canada. We at Edison really don't understand why we need to recertify a diesel engine that is used to produce electricity already for on-road use. I mean, it's not allowing our commercialization pathway at all. Quite frankly, it's a risk to our business.

Second, what I found very curious about the regulation is that it sunsets in 2027. Technically, as it is written, we cannot build hybrid trucks anyway after 2027. The department has also recommended that we extend this to 2032, which is in line with the U.S. regulations.

Fundamentally, our problem is that we are so tied to U.S. regulations that we, as a Canadian truck manufacturer, cannot build the technology we desire. More importantly, we can't even get an exemption because those exemptions are completely dependent on U.S. regulators and the industry, which means that we can't compete.

I really appreciate your time on this matter and I'm hoping that I can answer as many questions as possible. Thank you very much.

● (1115)

[*Translation*]

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

[*English*]

I'm going to request we suspend for one minute to do some audio testing. Once that is completed, we will resume with the next witness for their allocation.

Thank you.

● (1115)

_____(Pause)_____

● (1115)

The Chair: We shall resume.

From Greenpeace Canada, we have Keith Stewart, senior energy strategist.

Welcome. You'll have five minutes to do your opening remarks. When you see this yellow sign go up, it's to indicate you have one minute left to speak. When you see this one, I'm asking you to complete your sentence.

Thank you.

Keith Stewart (Senior Energy Strategist, Greenpeace Canada): Thank you very much for the opportunity to be with you today to discuss the electric vehicle availability standard.

I'm Keith Stewart. I'm a senior energy strategist with Greenpeace Canada and a sessional lecturer at the University of Toronto, where I teach a course on energy and environmental policy.

[*Translation*]

The electric vehicle availability standard is an important part of Canada's climate action plan. The transition to electric vehicles helps us keep our air clean and reduces our monthly bills while driving cars that are not only comfortable and reliable, but also cheaper to drive and maintain. All of these benefits are now in jeopardy.

[*English*]

I understand that in this era of elbows up, all discussions of public policy must begin with a hockey metaphor, so please excuse this tortured analogy. If you are serious about winning the Stanley Cup, you don't trade away your star forward because you have a good goalie. By winning the Stanley Cup, I mean fulfilling Canada's international commitment on climate change. The star forward is the electric vehicle availability standard.

Let's start with what the government seems to be getting right. The goalie in this metaphor is industrial carbon pricing. Good goaltending is vital, which is why I think the government should strengthen the existing industrial carbon price and apply the federal backstop in provinces whose regimes don't measure up.

Industrial carbon pricing does some things—like reducing emissions from large industrial facilities—really well. I'd refer you to the stellar work of the Canadian Climate Institute on how it can do those things even better. However, there are necessary things it doesn't do well, like convincing North American car companies to make affordable electric vehicles rather than gas-guzzling SUVs or getting solar panels on the roofs of your constituents' homes.

To return to my hockey metaphor, even if you have a great goalie, you are never going to win a game, much less the cup, unless somebody scores on the opposing net. I'm concerned that the current government is considering trading away all of our goal scorers. The consumer carbon tax is retired, and the Impact Assessment Act is on the injury list thanks to Bill C-5, which can exempt fossil fuel megaprojects from environmental laws. It also appears that our star defencemen, the oil and gas emissions cap and north coast oil tanker ban, are on the trading block as part of a potential grand bargain to enable a massive new oil sands pipeline.

We're here today to talk with the star forward who's currently riding the bench—the electric vehicle availability standard. It's time to put a retooled EVAS back in the game so it can reduce greenhouse gas emissions, make electric vehicles more available and affordable for consumers and future-proof Canada's auto sector. These are my top three recommendations for the revised EVAS.

First, prioritize a strong Canadian availability standard over harmonizing with the Trump administration or even the Biden-era vehicle emission standards. You could reward domestic assembly through extra partial credits for vehicles assembled in Canada and/or with a battery manufactured in Canada.

Second, keep the 2030 and 2050 targets. This will send a strong signal to vehicle manufacturers that we are joining the world outside Trump's America in electrifying transportation, so they can skate to where the puck is going.

Third, build in measures to make EVs more affordable. This could include extra credits for affordable electric vehicles. This will offer carmakers greater flexibility while doing more to drive EV affordability and address that top barrier to adoption.

Thanks for your time. I'd be happy to answer any questions you might have.

● (1120)

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

We will begin now with the questions from the Conservative side.

Mr. Ellis Ross, the floor is yours for six minutes.

Ellis Ross (Skeena—Bulkley Valley, CPC): Thank you, Mr. Chairman.

Mr. Little, congratulations. Four years ago, you started this initiative, and that's probably when I met you as an MLA in the B.C. legislature. I couldn't understand why the provincial and federal governments were not actually supporting your cause, because it was one of the most exciting ones I, and all the other MLAs, had come across in a long time. Now, MPs actually agree. It seems like a bit of an oxymoron that the title of this hearing is basically the EV availability standard, but the regulations currently are not making your vehicle available for a number of reasons.

Congratulations, there. Well done. You've done incredible lobbying work. What is the next big step to make sure your vehicle is available for all Canadians in the industrial sector?

Eric Little: That's a great question. Quite frankly, we've worked very hard with the department, as well as, of course, MPs with their suggestions. I'm no regulator by any means and very new to changing policy, but we have identified very easy pathways that allow us to use a diesel engine already certified in Canada without a need for recertification. This amendment would allow us to do this.

There are many approaches, one of which could be simply creating a Governor in Council request, which would allow this amendment to go through without even creating legislation; but, you know, there are many ways to skin the cat. Ultimately, my goal is to make sure that we can use already certified diesel engines in Canada that aren't on-road certified and put them in our trucks so that we can get to market and get these incredible vehicles on the road and into the hands of Canadians. We have incredible demand for them. We already have thousands of paid pre-orders, and we're building a factory in Golden to be able to meet this demand. It's extremely exciting.

Ellis Ross: It is exciting. You talked about the amount of emissions that each truck will take off our climate on an annual basis, as well. It's interesting, however, that the exemptions that we're looking for are actually tied to U.S. regulators. We don't have anything here in Canada to actually approve a product of yours, which is basically off-the-shelf technology. I mean, we're not talking about anything that needs extraordinary new regulations or legislation. It's all there. It's just that the whole thing put together hasn't been considered yet as a whole. Can you expand on the connection to U.S. approval?

Eric Little: In Canada, we are under the EPA standards. Of course, this means that we have to utilize EPA-compliant engines. This is a very narrow market. There are not many players, and, as a Canadian company, we're building for North America, with export potential as well, which is very exciting. What that means is that, if we wanted to get a special exemption to build our vehicles, which does not align of course with CEPA—our regulations here in Canada—we would have to actually ask U.S. regulators and the U.S. companies they represent to change and allow this exemption to go through. This is incredibly burdensome because, quite frankly, U.S. companies will not allow a new competitor. I mean, that's not how they roll.

We are trying to create a very simplistic pathway for regulators in Canada to allow CEPA to change, to accommodate for this really exciting technology, which is basically an existing, already certified Canadian diesel generator engine to be used in an on-road application.

Ellis Ross: Our relationship with the United States is not great at this point, so your ask is not very politically timely. How long would it take? You've been at this for four years, trying to get governments to change the regulations to accept what is basically already approved technology. If we put an urgent request on this to government, how long do you expect it would take for this to be resolved?

● (1125)

Eric Little: Well, if we were to do the exemption pathway, there is a high probability that it would not be allowed. As I've mentioned, the companies that exist down there, the OEMs, which see us as a competitor, would most likely not allow us to enter their market. Furthermore, what I think is the real crux of the issue is that we are reducing greenhouse gas emissions and trying to do our best, but our technology is so unique that regulators haven't even considered putting a diesel electric generator engine in a truck. We're the only ones in North America doing this pathway while everyone else just uses standard diesel engines.

We're working hard to educate regulators. I believe that this could be a really unique Canadian approach by making an amendment to our CEPA regulations.

Ellis Ross: There seems to be a bit of a conflict. As a Canadian who wants to build our nation up, get the economy going and get the jobs going, you're doing incredible work. You have incredible success, so thank you for that, but it seems that we're actually asking the U.S. regulator to basically approve your standards. At the same time, they have market considerations too that they'd like to protect. Those things seem to offset each other, and all the negative impacts are actually directed at a company like yours. Am I kind of correct in that?

Eric Little: Certainly. Furthermore, as you know, there are only really two heavy-duty truck manufacturers in Canada—Edison and Paccar, the plant in Quebec. We have both been hit by this new 25% tariff. Therefore, it's clear that we will not be able to export.

The Chair: Thank you very much.

Mr. Grant, the floor is yours for six minutes.

Wade Grant (Vancouver Quadra, Lib.): Thank you, Mr. Chair.

Thank you to the witnesses for coming forward on this important topic.

I want to start off by thanking Mr. Little—it's the second time that we've met each other—and thanking my friend Mr. Ross, who introduced us the last time you were on the Hill.

I'm from British Columbia as well, on the other side of British Columbia in Vancouver. I really commend you for the innovation that you're seeking in this small business, and I hope you continue to have success.

I know that you've been working with Environment and Climate Change Canada as you move this product to market. I want you to talk about the work you've done with them. I know you had the NEM authorization yesterday, which I'm sure you're very happy about. What other steps are needed to move forward?

Eric Little: It's very exciting to know that Edison now has its national emissions mark authorization. This is a big step in our business, because now the department sees us as very much understanding the current regulations and being able to apply a mark onto our vehicles once they are ready for sale.

The next step would be to submit letters. They're called C-Us. One is for the vehicle itself, which I can only submit once I get the national emissions mark. With that hurdle behind us, I look forward to submitting this soon.

Furthermore, because of our hybrid engines—in this case it's a Scania 9-litre that we get from Sweden, which is EPA certified—I have to submit another letter of C-U for this particular engine. This essentially describes all of its basic fundamentals, its GHG emissions and some more information on specifications, which is different from what you need to do for a traditional truck. If it's already a compliant engine, I don't need to submit that letter. It is an additional layer or step that I need to comply with, but I'm more than happy to do so.

I really want to tell the committee that Environment Climate Change Canada staff have been incredible to work with, especially after all this publicity caused throughout this issue we're having, and we're getting incredible support. I'm really happy to bring the committee some recommendations they've made to try to address this issue with this amendment to the regulation. We're really pleased by this, and I hope to continue to work really well with the ECCC as we get permission.

Wade Grant: Thanks, Mr. Little.

Mr. Allan, how does the existence of a federal mandate guaranteeing future sales volume de-risk investments and help attract the necessary private capital to support the rapid building out of the charging infrastructure that we need?

● (1130)

Travis Allan: I have a dual role. I work with this industry association, and I work on capital raising, particularly around this industry. That's something that I think about a lot: How do we convince private capital to really crowd into this space, build jobs and build infrastructure in Canada?

The most important thing on the revenue side is to try to predict accurately how many people will be charging. For example, for a public fast-charging station, your customers are battery electric vehicle drivers and likely in the future to be plug-in hybrid electric vehicle drivers. Those vehicles have larger capacity and can charge at speed. They're not internal combustion engine vehicles or hybrids that cannot plug in. That's really the core market you're trying to pick. If you can predict that, you can basically estimate your revenue multiple years in the future.

The EV availability standard sets a rough floor you can use to calculate how much demand you're going to have. That lets you figure out the revenue and the financial model for your charging station. It's the most fundamental policy.

Wade Grant: Mr. Little, has the department given you a timeline for approval once you file the application for your vehicle?

Eric Little: Not at this time. It did take us nine months to get from our initial ask to getting our national emissions mark, which I find was quite lengthy. That being said, it's our first time around the bus.

Based on conversations I had with the department yesterday, we are still waiting for managerial approval to potentially expedite our engine C-U letter, which is incredible news. That being said, no firm timeline has been provided.

In terms of making this amendment, I have never really changed a regulation before, so I'm looking forward to your thoughts and concerns there.

Wade Grant: Mr. Stewart, the electric vehicle availability standard includes plug-in hybrid EVs in the early phase. How is the strategic inclusion of these vehicles essential for bridging the gap and facilitating ZEV adoption?

Keith Stewart: It helps with the people who are concerned about whether or not they're going to be able to get access to a charger. As your previous question said, this is a chicken-and-egg problem. Without the security of an EVAS, it's hard to build the charging infrastructure, and without the charging infrastructure, people aren't going to buy the vehicles.

I think hybrids are really good examples, as you're going through the transition for people who might be worried about the availability in their area and might not be able to charge at home, of how to provide some of that flexibility.

There actually are a lot of flexibility mechanisms built into this regulation already. I think a lot of thought and consultation went into it, and that's why I would really hate to see it thrown out or gutted.

Wade Grant: I think that's my time.

The Chair: Thank you very much.

[*Translation*]

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

Patrick Bonin (Repentigny, BQ): Thank you, Mr. Chair.

Mr. Stewart, can you elaborate on why we need an EV strategy, rather than just relying on automakers to have their own strategy or even carbon pricing?

[*English*]

Keith Stewart: I'm old enough to remember when the vehicle manufacturers resisted seat belt laws, saying that was going to destroy the industry, and then it was catalytic converters that were going to destroy the industry. They're a very conservative body and they like to stick with what they know, which makes sense. They also like to keep competitors out. I think, as one of your previous panel members was saying, these guys like to keep out the competition and the alternative. That's why we needed laws for seat belts and for catalytic converters.

They're going to resist change whenever they can, because they want to stick with what they know. For the industrial carbon price or even the old-fashioned CAFE standards, they're really good at tweaking and getting incremental change in the existing system, but when you're trying to actually change the system, like a switch from gas-powered vehicles to electric vehicles, you need a much more comprehensive approach.

This point was made really well by one of the other panellists. He said they will build the number of chargers that they know are going to be guaranteed based on the number of vehicles in this law, and in the same way, companies always say they want certainty to make long-term investments. This provides that long-term incentive. It says, "This is where we're headed. If you make these investments, you're not going to lose your money." That's really important, and I think Canada should stick to its guns on this and move forward with that transition to electric vehicles, which is happening all around the world.

Donald Trump is trying to hold it back, but if we're looking to expand our trade and integrate more with the rest of the world, we need to skate to where the puck is going to be, not where it is right now or where Donald Trump is trying to put it.

● (1135)

[*Translation*]

Patrick Bonin: In your opinion, is it still possible for Canada to implement an ambitious zero-emission vehicle standard, even if the U.S. President no longer takes that route?

[*English*]

Keith Stewart: We don't want to get left behind. There is this possibility that Canada, if we align with the Trump administration—and who knows what will happen next down south—we could end up as this backwater in terms of vehicles, because electric vehicles are simply better in so many ways. Look at the rapid adaptation not just in places like Europe but also in the global south. That's where the technology is going. If we want to be able to trade more with those places, there's that element, but this is also key to achieving our climate objectives.

After oil and gas production, the transportation sector is the second-largest source of greenhouse gas emissions in the country. If we don't electrify, we're not going to be able to really get at those emissions in any kind of deep way.

The passenger vehicles are relatively easy because that technology is now available. It's spreading around. We have to bring in more affordable vehicles here. It's amazing that in Europe there are like 21 EVs available under $40,000, and here, I think there's only one. If we design this law right, we can actually get those affordable vehicles here.

It's also fascinating to see that, even in other sectors of transportation, like heavy-duty trucks, we're beginning to electrify those as well. That's great to see, and Canada should be sticking with the leaders on this, not the laggards.

[*Translation*]

Patrick Bonin: Can you expand on the issue of affordability? I think you talked about the possibility that the standard might even be improved and that there would be more affordable vehicles on the market.

[*English*]

Keith Stewart: Electric vehicles started as a niche market for rich people in Silicon Valley. We need to actually make them like the workhorse, the family vehicle that everyone can afford. I think those vehicles are available in the rest of the world. They're hard to find here.

For instance, the B.C. government just announced some changes, and I wasn't terribly delighted with all of them, but one thing they're going to look at offering is partial extra credits for vehicles under a certain price point. Basically, there's an incentive for car manufacturers to start building those here and putting them on the market. They're exploring ways of providing 0% financing for vehicles, again, under a certain market...so you're making sure that these cars are available to your average working family and not just to the wealthy. We shouldn't have polluting cars for poor people and clean cars for rich people. That's not the kind of Canada we want to have.

[*Translation*]

Patrick Bonin: You mentioned that industrial carbon pricing could not compensate for this standard being abandoned.

Can you comment on that?

[*English*]

Keith Stewart: Industrial carbon pricing does some things really well, but when you look at something like trying to change the types of vehicles on the road, the small increase or the chain shift in price that's going to happen to the manufacturers doesn't make such a big difference in the types of cars they build because the main emissions are coming from what they use in the vehicle.

The fact that there's an industrial carbon price doesn't affect Ford in any way over the lifespan of the vehicle; it's just in the making of the vehicle. Whereas, if you're actually the driver, you save an enormous amount of money in fuel costs over the life of the vehicle because electricity is just a lot cheaper than gas for the consumer, and you benefit if it is an electric car. If you're the manufacturer, you don't benefit if it is an electric car.

The Chair: Thank you very much.

Ms. Anstey, the floor is yours for five minutes.

Carol Anstey (Long Range Mountains, CPC): Thank you.

Thank you, Mr. Little, for joining us today and also for pushing through with this technology. I'm an entrepreneur myself, and I know there are many challenges in your journey.

I am from Newfoundland and Labrador, from a very rural area, where there's a lot of resource development. There are a lot of industries that depend on heavy trucks to stay competitive. They're under immense pressure financially right now.

I believe there's an affordability component also built into your product. I just wanted to give you an opportunity to expand a bit on that for the benefit of the panel, just so that they know the fullness of what your technology can offer consumers and people in small businesses.

● (1140)

Eric Little: That's fantastic. Thank you very much for the opportunity to talk about the technology's benefits.

From a financial perspective, the fuel reduction is quite significant. It's 30% of fuel consumption, which is essentially one of the highest costs of operating a truck. This can account for $30,000 to $50,000 a year per operator. This is a pretty significant savings, and we want to be able to pass that on to the consumer.

What's great about our technology is that it doesn't influence payload. As you know, a truck really is paid for by what it can carry, and because of our drivetrain and how it works, it has a very small battery and a small diesel engine. It's about a third smaller than a traditional diesel engine. Therefore, there is no compromise on payload, which is an advantage that BEVs or fully electric vehicles would never have. We're quite pleased that we can offer no range anxiety to the consumer who is used to filling up the tank with diesel, while still providing a 30% reduction in operating cost.

Don't get me started on maintenance. Our system doesn't have a whole bunch of mechanical parts, gears and drivetrains. It's just motors directly at the wheels. This means that there could be upwards of 50% in maintenance savings. Once we actually get permission to sell our vehicles in Canada, I look forward to being able to share, with you and our fans, what those true numbers are.

Carol Anstey: Thank you, and I appreciate your passion about your product.

You also talked in your opening remarks about being a major contributor to your community where you operate. You talked about being a logger, and I thought about a community in my riding of Hampton. It's the single employer. It's a logging community.

I think there are also implications if you don't continue to get what you need from the government to continue to move forward, not just for your business but also for the community where you're employing several people. I think it's important that we all understand the implications. If you're not able to continue to move forward, if you continue to face barriers and roadblocks, what are the implications of that?

Eric Little: The implications are pretty dire. As a company, we've invested roughly $10 million into our local community of Golden, B.C. The population is roughly 600 full time. It obviously swells with the beautiful skiing we have in the region and with the hiking we have in the summertime. Golden, B.C., if you aren't aware, is very close to Banff. This is a very beautiful part of the country. We're in the heart of the Rocky Mountains. We've actually scaled our business quite dramatically over the last year, going from eight to 32 full-time employees. Our pathway is actually going to 50 next year, and up to 70 employees once we reach full production with our new facility currently under construction.

This would be a huge blow to the community, which has really embraced us over the last year. We relocated there from Merritt, B.C, in April. It would be a shame for us to not be able to produce these electric trucks in Canada.

Carol Anstey: Can you articulate to us the investment you've made? You've gone through this for nine months. What resources have you poured into this in terms of time and energy to try to get this to move forward? Do you think there's been an opportunity cost to your business, as you've had to focus on trying to get this changed when you could be diversifying your business and investing it in other places?

I just want you to expand a little bit on that thought.

Eric Little: It's more than just the time and labour associated with us hiring specialists and people in administration to help us navigate the regulatory environment, which is very complex. What really impacted our business was the fact that we had to pivot from hybrids exclusively to building a mechanical truck, which is not the spirit of what we're trying to do at Edison. It's in the name: We're "Edison" Motors. We're an electric vehicle maker, but because of the regulations, we are forced to make a typical traditional truck with a 15-litre engine.

The Chair: Thank you, Mr. Little.

[*Translation*]

Mr. St-Pierre, you have the floor for five minutes.

Eric St-Pierre (Honoré-Mercier, Lib.): Mr. Stewart, many provinces are backtracking when it comes to electric vehicles: Quebec did so recently. At a time like this, should the federal government retain its EV availability standard as adopted?

● (1145)

[*English*]

Keith Stewart: Absolutely. B.C. and Quebec, the provinces that led on electric vehicles, are saying that they will follow. Federal leadership here is now key. I think that's why the work of this committee is really important, as is the input you give to the review that's ongoing. In one sense, it makes sense to have a national standard across the country. We have this pattern in Canada where provinces often take the lead initially. Frankly, B.C. and Quebec have done this a lot in the environmental field. Then we try to level that up at the national level.

I'm really hoping that the federal government will actually take up that mantle and lead and will not allow us to fall back on this. It is so important for our long-term greenhouse gas emissions reductions and for making healthier cities, cleaner air and reducing the costs for people to get around.

[*Translation*]

Eric St-Pierre: What do you think is fuelling opposition to this standard, Mr. Stewart?

[*English*]

Keith Stewart: Part of it is coming from companies that have an existing business model and don't want to change. They want to keep out these new competitors. We're seeing a lot of disruption around the world where electrification is taking out incumbent industries. It's not just in transportation. It's also in things like heat pumps. In Ontario, there's a whole issue around the Ford government keeping out heat pumps after an Ontario Energy Board decision. On that desire to keep out new competitors that are seeking to actually transform the energy system, frankly, governments shouldn't be backing the incumbents there. They should be looking at what will be best for the long term for society.

Some of it is also coming from the defence of oil and gas, because this is an existential threat to the oil and gas industry. When you start looking at what people are calling the "electrotech revolution", you can see that before there were things we could only do with oil and gas. We can now do them with electricity. If you're an oil and gas producer, that is a big threat. You're going to throw all the resources you can at blocking this. I mean, to be honest, if I were them, I'd be doing that. I'm not them, but that's a rational response. The goal of our elected officials is to look at what's best for Canada, not what's best for the bottom line of Exxon.

Eric St-Pierre: Thank you.

I have a quick question for Mr. Allan.

The International Energy Agency said that, I think, about 20% of vehicle sales last year were electric. It's anticipated to be about 25% this year, and I believe 40% by 2030.

Can you maybe comment on that, and do you see similar trends in Canada?

As well, tied to that, what impact does that have for charging infrastructure within Canada?

Travis Allan: Canada has been so successful at making the transition to electric vehicles. As I said, our estimate suggests there are around one million Canadians who've chosen EVs by now. That's based on some forecasting.

I think, fundamentally, it's because the technology is so much better, and my fellow witness here has just explained the efficiency benefits, the performance benefits and the low maintenance benefits of EV. We know this is happening, and we know it's happening on a global basis.

We're in this together, so the question is how we make sure that Canadians are ready to adopt EVs, save from EVs and have the charging stations in place. I think that's really the focus we have.

Eric St-Pierre: You mentioned one million electric vehicles, citing a September 5 press release from the Canadian Charging Infrastructure Council. You talk about the "long-term policy certainty" to attract private investments.

Could you provide a copy of that press release to this committee?

I found it interesting in the release that you mentioned the one million vehicles, but you also cited a parliamentary budget office forecast. Can you provide that forecast and quickly speak to that, with 20 seconds to go?

Travis Allan: Absolutely.

I believe what you're referring to looked at the implications of how significant the EVAS would be for charging, and I just want to make sure I have the right note here. I'm happy to provide that and to tell you that as a general matter, the EVAS has been thoroughly reviewed and has a strong impact on charging and vehicle availability.

● (1150)

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

[*Translation*]

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

Patrick Bonin: Thank you, Mr. Chair.

Mr. Allan, do you think more investment is needed, particularly from the federal government, for the charging network? Is it "investment", as the government likes to call it, rather than spending?

[*English*]

Travis Allan: We also see them as investments, and I think there are two areas that are critical.

The good news is that for Canadians who can charge at home, with a detached house or driveway, there is really very little issue. We just want to make sure it supports the grid. We have that tech already. When you're talking about public areas and about people who live in condominiums and stratas, these are areas where the economics are still challenging. There is a very useful role, in addition to the EVAS, for a tax credit that can work to support the economics. That's what my members would tell you. We're trying to figure out a way to get these financial statements to work and just unlock private capital.

We can do that with a clean technology ITC that works for on-road transportation, for public charging, and also for multi-unit residential buildings, which currently would not be eligible. That would make a huge difference.

[*Translation*]

Patrick Bonin: Thank you, Mr. Allan.

Mr. Stewart, the Canadian Climate Institute published a report showing that Canada is not on track to meet its 2030 greenhouse gas emissions reduction targets.

Would the absence of a standard on the availability of electric vehicles complicate things even further? For example, if there's a new pipeline or we increase the output of a pipeline, would that make emissions reduction efforts in transportation even more critical?

[*English*]

Keith Stewart: The electric vehicle availability standard is key for reducing long-term emissions from transportation. It's the kind of thing that has an enormous cumulative impact. As a vehicle fleet turns over, in the first few years you don't see big reductions, but then you see really big ones.

In terms of definitely getting to our longer-term climate goals, the electric vehicle standard is key. One thing, I think, that is really challenging right now is that we're seeing some backtracking on some of the existing policies at the federal level, which already weren't going to achieve our stated climate goal, but if we build another new pipeline, it's only going to be built with public money in some way or another. They might find creative ways to subsidize it, over enormous resistance—

The Chair: Thank you, Mr. Stewart.

The floor is yours for five minutes, Mr. Bexte.

David Bexte (Bow River, CPC): Thank you, Chair.

Thank you, witnesses, for being here today, and all committee members. I really appreciate your time and your commitment to show up. It makes a difference.

Mr. Allan, I'd like to follow up on a couple of things you talked about. A rough estimate is about $100,000 per charger.

What is the split if that was...? Is there a rural/urban difference?

Travis Allan: We talked to our members and asked them to estimate across their public fast-charging deployments and they came up with an average of $125,000.

You're going to find that it is most expensive in places where there are major power upgrades, so urban—

David Bexte: I'm sorry, I'm going to ask you to hurry because I'm short on time.

Travis Allan: My apologies.

If you have a rural place with very low electrical service, that will cost more, but it's going to be the most in Toronto or Vancouver.

David Bexte: Okay, so would it be double?

Travis Allan: It could potentially be.

David Bexte: Okay, it can easily double.

These also happen to be the places with the lowest population distribution and the highest electricity costs and the lowest transmission generation availability.

Could you square that off a little bit?

Travis Allan: I think you're going to see a lot of plug-in hybrids in rural Canada.

David Bexte: Thank you very much. I appreciate that.

Mr. Little, I wonder if you could expand on the dynamic between Canada and the U.S.

The auto industry is very integrated and this is a feature of geography. There's nothing we can do about our proximity to the U.S. and for as far as I think we can imagine into the future we're going to be connected to the U.S. economy in a very significant way. I think it's a fallacy to think that we can just ignore them.

Could you speak about what Canada could do to try to insulate ourselves or run our own show?

● (1155)

Eric Little: Of course. Thank you very much. It's a great question.

We've actually seen other jurisdictions around the world be quite flexible in how they approach this unique problem. That is allowing multiple certification standards internationally. Therefore the Euro standard, which is, by the way, the largest standard used throughout the world, could potentially be employed in Canada in collaboration with the EPA. This is actually what Australia does.

In my brief, the committee can review how this very successful example can be leveraged in Canada to make sure that we have an even playing field and that we have more choice for the consumer ultimately.

David Bexte: In your discussions, did the ECCC ever imply at all that resistance—the second order—from U.S. companies in the auto industry was a factor in...?

Eric Little: I'd say the factor would be that updating our regulation to allow the European standard, which, I want to mention again, is the largest throughout the world, and creates a very competitive engine market, would be challenging—that would be a word to use—however, there's significant opportunity.

David Bexte: If Ottawa adjusted the rules to allow hybrids—like cleanly adjusted the rules so it's done—what kind of uptake would you expect in the trucking, forestry and mining industry? Are these vehicles a reliable long-term solution for those industries?

Eric Little: Yes.

Hybrids have been in the market for large industry, such as trains—a great example—since the 1930s. They went electric and they've never gone back.

It's the same with mining trucks as well. It's the same deal. They started in the 1960s using electric drivetrain technology. They have not gone back.

This is the future-proof technology. What's great is that it is for the future of all trucks. I am very confident. At Edison, we are very confident this is the future of all trucks.

David Bexte: Suffice it to say that the uptake would be massive, large and significant.

Eric Little: Yes, most definitely.

David Bexte: Emphasizing the importance of practical, made-in-Canada solutions, are there any other roadblocks, barriers or hindrances on your path to full adoption?

Eric Little: The only thing I would mention to the committee is that the biggest roadblock is that without this amendment, or these several amendments, to this regulation, which is under the alternative hybrid engine standard, we cannot build trucks that are hybrid in Canada and we cannot have the export potential to the world. If we can't validate our technology here, we can't do it anywhere.

We're hoping that, with your support and advice, we could potentially make this amendment happen.

David Bexte: Very quickly, is there anything else in the medium to longer term?

Eric Little: Like I mentioned to the committee, long term I would love to see Canada adopt the European standard as well as the EPA and Unison standards so that we would have a much more competitive market and have the potential to be a world player with great Canadian technology around the world.

The Chair: Thank you, Mr. Little.

Mrs. Miedema, the floor is yours for five minutes, on video conference.

Shannon Miedema (Halifax, Lib.): Thank you, and sorry I couldn't be with you today.

Thanks to all the witnesses for your testimony.

My question is for Mr. Allan. I used to work for Halifax Regional Municipality on environment and climate, and we were really struggling with trying to roll out charging infrastructure, and we were trying to think about ways to incentivize that charging infrastructure being required in multi-unit apartment buildings, because there are several places where you don't have that garage access within our urban setting.

Does your organization work with local as well as provincial and territorial governments on the policy side? I get the ITC conversation, but can you speak to that? Is there any good work happening? We were trying to do it through planning documents and bylaws.

If you could share your thoughts on that, that would be great.

Thank you.

Travis Allan: Yes, there is a very established suite of policies that can resolve that issue. It's often seen as the most challenging issue in the EV charging space.

The first thing is making sure to update provincial building codes so that we're not making the problem worse. Let's make sure we build buildings that are EV ready. The second is looking at retrofit programs that can support buildings to retrofit the whole parking lot in an efficient way so that everyone can access charging. The third is providing alternatives in city parking lots and curbside for people like me. I'm actually what's called a garage orphan. I charge outside of my house because I don't have a driveway. I rely on a city-owned charging station down the street, and that can be a great solution that's very efficient for many families.

With that combination, you can actually make a lot of progress.

● (1200)

Shannon Miedema: We have some neighbourhoods like that right in downtown Halifax, without driveways and garages, so that's good to know.

One of the other big barriers to uptake is often the time to charge, and across Atlantic Canada, some fast chargers were being put in, but then there were lineups at the couple of fast chargers, and they still took a certain number of minutes.

Recently I found out about some new advancements in technology with the BYD fast-charging system that can give you about 400 kilometres of range in five minutes. I know that's not available in Canada yet, but can you speak to what's happening with fast charging and what it would take to bring it to Canada?

Travis Allan: Yes, we are getting to a point finally where the public charging stations that are being built are starting to be at a speed—typically 125 kilowatts-plus—where a typical driver will find that by the time they plug in, go use the facilities, buy a bag of chips at the convenience store and come back out, their new vehicle is likely to be charged almost at the same time based on current driving patterns, so it would take 15 to 20 minutes.

If you go to the power that you're talking about with those BYD stations, it is going to increase your capital costs very much to build those stations just because they're such a big load on the grid.

I think that's going to happen in very big cities, but you'll find for a lot of Canada that the 125-, 150- and 200-kilowatt stations are going to be your sweet spot between power and cost.

Shannon Miedema: That makes sense for our size.

Are there any other incentives for private companies that just want to show leadership and provide charging on their property, whether it's a retail outlet or whatever, other than something like an ITC? How do we actually socialize the business? What is the financial business case? Do you have to consider other co-benefits like marketing, brands and leadership and things like that?

Travis Allan: Those definitely help, but you're starting to see sophisticated grocery stores and retailers that are installing charging and they are creating additional revenue streams. For example, in Quebec, Sobeys has been a big leader in this area. You've seen announcements from Tim Hortons and many others that are working with the charging industry to attract consumers but also to create an alternative revenue stream, which can obviously help the economics.

Shannon Miedema: That's perfect.

Mr. Stewart, from your perspective, you've talked about this a bit, but how does the EVAS enhance consumer choice and why is that important?

Keith Stewart: Well, electric vehicles started, as I said, as a niche market for wealthy people, and I think the EVAS levels the playing field and make this available to all consumers. It can be designed to enhance, to make sure that we have affordable—

My apologies. The time's up.

The Chair: I'm sorry. Thank you very much.

That puts an end to this round.

I thank the witnesses for being present today and wish them a safe return. The witnesses are free to go.

We will suspend to prepare for the next round. Thank you.

● (1200)

_____(Pause)_____

● (1210)

The Chair: The meeting will resume.

[*Translation*]

The committee is resuming its study on the electric vehicle availability standard.

This afternoon, the committee is meeting with the following witnesses:

[*English*]

from Dunsky Energy and Climate, Mr. Jeff Turner, director of mobility, and from Environmental Defence Canada, Mr. Sam Hersh, clean transportation program manager.

[*Translation*]

Each speaker has five minutes for their remarks.

[*English*]

When you see a yellow card going up, it means that you have one minute to speak. When I turn it over, please complete your sentence.

We will start with Mr. Jeff Turner for five minutes.

Thank you.

Jeff Turner (Director, Mobility, Dunsky Energy and Climate): Thank you, Mr. Chair and members of the committee.

My name is Jeff Turner. I'm the director of mobility at Dunsky Energy and Climate Advisors.

I'll begin by providing a bit of background on my own professional experience, followed by an overview of the type of work that Dunsky does in the EV space and some specific findings from recent projects as they relate to the EV availability standards, or EVAS.

My career has been focused on transportation electrification for almost 20 years. I have degrees in mechanical engineering from McGill University, where my research involved designing prototype hybrid and electric vehicles and modelling battery performance in cold climates. I've worked for two different vehicle manufacturers—one selling EVs in London and another based in Vancouver, B.C., developing hybrid and electric commercial vehicles in partnership with Ford Motor Company.

Following this, I spent four years at BC Hydro's Powertech Labs, where I focused on technologies that help integrate EVs into the grid and deploying public charging infrastructure.

In 2017, I joined Dunsky, which is a Canadian firm with over 65 professionals focused on analysis and strategy development to support the energy transition. Since then, we've conducted projects with governments, utilities and corporations in all 10 provinces, as well as leading states like California, Colorado and Massachusetts to help them to understand and design policies to overcome barriers to the adoption of EVs, anticipate the pace of adoption and associated demand on the grid, and develop policies for effective deployment of charging infrastructure.

Here in Ottawa, our name is often associated with reports we've published on EV availability in dealerships for Transport Canada or on charging infrastructure forecasts and fleet electrification for Enercan. We've also developed load forecasts for 15 Canadian electric utilities across eight provinces, as well as EV analysis and strategies for 22 Canadian cities from Halifax to Victoria, Toronto to Calgary and many in between.

This is not to mention our work with provincial governments of all stripes, including B.C., Manitoba, Ontario, Quebec, New Brunswick, P.E.I. and Nova Scotia.

Through these projects, we gain a deep understanding of how EVs are working in these regions, what specific barriers are holding consumers back and how these barriers are evolving over time. This has given us the chance to continually refine our analysis and, in particular, our EV adoption forecasting model, which we first launched in 2018. We recently had the opportunity to put this model to use developing forecasts for EV adoption in each province and territory as part of the Powering Up project with Electric Mobility Canada. We forecasted EV adoption under a range of policy scenarios and quantified the associated electrical load growth in each region.

Over the past two months, we've been able to revisit this analysis and focus in specifically on the impact of EVAS and explore a few alternate policy scenarios, all while accounting for the disruptions we've observed in the market in 2025, including the sudden pause in financial rebates and the resulting uncertainty in the market. Our analysis found that even in the absence of supportive policies, we are likely to see the Canadian light-duty vehicle market transition to EVs, driven by ongoing technology progress that is global in nature.

We also found that policies like EVAS can significantly accelerate this transition, bringing the benefits of EVs to more Canadians sooner. These benefits include affordability—EVs save, on average, about $1,700 per year in fuel costs alone—and reductions of GHG emissions and other emissions that have significant health impacts for Canadians.

On affordability, while EVs can save their owners money over the life of the vehicle, we know that most vehicle shoppers are not like me—they don't use a spreadsheet to calculate total cost of ownership—and their primary focus is on the sticker price. Our modelling captures this dynamic and captures how adoption increases as upfront EV prices come down over time.

Our modelling highlighted that while EVAS helps by ensuring a smoother EV shopping experience, fewer months-long wait-lists, more vehicles on lots and motivated salespeople, it can also drive automakers to accelerate these EV price reductions through greater competition and economies of scale.

We also modelled a multipronged approach that includes complementary strategies to help increase EV affordability, including modest government rebates that are phased out gradually over time, helping to share the load of achieving those price points.

With the right policy mix, we found that a target of 50% EV market share is achievable by 2030, leading to an additional $30 billion of fuel savings and $4 billion in health benefits, thanks to improved air quality in Canadian cities.

Finally, across all our work, we see repeatedly how valuable this type of policy is in terms of providing market certainty, especially for the utilities and private sector actors we work with, who are considering significant investments in grid capacity and charging infrastructure. We have seen first-hand how regulated targets increase confidence and solidify business cases, unlocking significant investment in Canada from valuable partners in the EV transition.

I look forward to your questions. Thank you.

● (1215)

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

Mr. Hersh, the floor is yours for five minutes.

Sam Hersh (Clean Transportation Program Manager, Environmental Defence Canada): Thank you. Good afternoon, Chair and members of the committee.

My name is Sam Hersh and I'm the clean transportation program manager at Environmental Defence, which is a leading Canadian environmental advocacy organization. We work with government, industry and individuals to defend clean water, a safe climate and healthy communities.

[*Translation*]

Our position is clear: Canada must maintain a strict EV availability standard. Weakening or pausing these regulations would harm consumers, compromise climate goals and jeopardize Canada's competitiveness in the global transition to clean transportation. It would also benefit an auto industry that has resisted progress for decades.

[*English*]

The standard has a simple purpose: to make electric vehicles available and affordable in every region of Canada. Before the standard, Canadians faced chronic shortages, and this was not because Canadians didn't want EVs. It was because automakers restricted the supply by prioritizing high-margin gasoline trucks and SUVs over more affordable electric models.

The EVAS changes that by ensuring that Canada receives its fair share of EV supply. When EVs become available, the benefits are substantial. Some modelling shows that, with a strong EVAS, Canadians would save $45 billion in fuel costs by 2035, about $1,750 per EV driver per year, because electricity is far cheaper and more stable in price than gasoline.

[*Translation*]

The standard is also one of the most effective and least expensive climate policies in Canada. It would reduce emissions by 69 megatonnes by 2035, which would be the equivalent of taking 15 million gas-powered cars off the road. There are also huge health benefits, and these benefits would quickly diminish if regulations were weakened or delayed.

[*English*]

Despite what the auto industry claims, now is the right time to move forward with an EV standard. Recent sales declines were driven by a pause in federal and provincial rebates and by short-term uncertainty about the future of the EVAS itself. This is exactly why the regulation includes extensive, built-in flexibility, including early action credits, a three-year averaging period, credit banking, limited PHEV contributions and credits for infrastructure investments. The EVAS was designed to absorb short-term shocks. Pausing 2026 compliance obligations was unnecessary and created more uncertainty, not less.

Automakers have proven time and time again that voluntary measures are not enough. Legacy automakers have opposed or delayed every major environmental and safety regulation for decades, as someone on the previous panel mentioned, from seat belts to fuel efficiency standards to earlier electric vehicle policies. In Canada alone, they have held more than 200 lobbying meetings specifically about the EVAS with federal officials since the standard was introduced and are running coordinated campaigns to weaken or eliminate the EVAS. All of this aligns with a long-standing strategy: Preserve the high-profit gasoline truck business model for as long as possible. A status quo without the EVAS overwhelmingly benefits the automakers, not Canadians in urban, suburban or rural areas.

If Canada retreats from the EVAS now, EV prices will remain high, affordable models will remain scarce and charging infrastructure investment will slow. We would also risk losing ground to international competitors that are surging ahead in global sales. Meanwhile, U.S. automakers would gain an advantage in the remaining gasoline vehicle market just as they are aggressively lobbying for slower transition times.

Environmental Defence Canada urges the committee to maintain the EVAS with only limited recalibration. We recommend, in a submission that we put forward to this committee with other organizations, reinstating a 2026 requirement that reflects the actual market share, resuming the trajectory of requirements no later than 2027 and avoiding new flexibility mechanisms that dilute the standard.

● (1220)

[*Translation*]

The EV availability standard is not the problem; it's the solution. It protects consumers, strengthens Canada's competitiveness, improves public health and enables climate progress without multi-billion-dollar government subsidies. Weakening it now would be a costly mistake. A rigorous standard is the best way to ensure that Canadians have cleaner and more affordable vehicles and that Canada remains a leader in the clean transportation economy.

[*English*]

Thank you.

I look forward to your questions.

[*Translation*]

The Chair: Thank you, Mr. Hersh.

We'll begin members' questions with Mr. Leslie from the Conservative Party.

The floor is yours for six minutes.

[*English*]

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

Thank you both for being here with us today.

I'd like to start with Mr. Hersh.

I had the chance to send a survey out to all of my constituents, and I had one of the highest response rates specifically on this issue. The question was: Do you support the EV mandate? Ninety-eight per cent of the respondents said that they do not support the mandate. They said that they want to be able to choose the vehicle that's going to work for them.

Are you trying to tell me that all of them are wrong?

Sam Hersh: Thanks for your question, MP Leslie.

I'm certainly not saying that.

To challenge the premise, I think the EVAS, as many other panellists have said, is not about telling people what they can and can't drive; rather, it's about giving Canadians the ability to choose to drive an electric car or not. Currently what's happening is that electric vehicles are unaffordable. There are shortages and long wait times for a lot of manufacturers to get those cars.

I think the issue that the EVAS is trying to solve is that limited choice that exists.

Branden Leslie: I've heard this a few times, that, by mandating that you have to buy a certain type of vehicle, this in fact is more choice. I think the folks who are sending me here to represent them struggle with the idea that being forced to buy a certain type of vehicle, and to do the necessary local investments in their own home for overnight charging, is in fact a better choice for them. I find it very difficult, when I get a response rate of 98%, to come here and be told that I frankly should just ignore the will of my constituents.

They ask me a lot of follow-up questions, such as, “Where are we going to get the power?” In Manitoba, for example, I believe just yesterday the NDP government there announced a new gas-powered turbine, because at the current pace of electricity use, we're not going to have enough power. We're generally proud to have such amounts of hydroelectric power. I know that other provinces are in a similar situation.

What will be the total dollar amount for utility companies that will have to generate much more power should we go to an entirely electric vehicle fleet across this country?

Sam Hersh: I think perhaps Mr. Turner might be better placed to respond to that specific question, but further on that point, to reiterate, the EVAS is not about forcing people to drive an electric car. It's about giving folks more choice. It's about being—

Branden Leslie: You see why that's confusing, right? It's a mandate. You're mandating that it can only be sold—

Sam Hersh: Well, it doesn't pertain to consumers. It pertains to dealers and the selling of electric vehicles. It doesn't pertain to consumers. It's not saying you have to buy an electric vehicle. It's saying that to dealers, but also, as I said in my remarks, it's giving them a lot of flexibility on when they have to meet that standard. There's a three-year grace period. There's a credit system. They're giving them a lot of leeway to meet that, at the same time.

Branden Leslie: The manufacturers have told the government—that's why this pause was initiated—that the demand is not there. When I talk to my local dealers, certainly the demand is not there in rural areas. That's because of the lack of infrastructure. In our last panel, we did have some good information on some of the requirements.

Again, I'd like to go back to the electricity. Ultimately, whatever that cost is—we've heard upwards of $250 billion to electrify this country enough to do that—the utility companies are not going to eat those costs. Those costs are going to be passed on. As much as we talk about how they are certainly cheaper at this point in time, that is not going to be the case.

Don't get me wrong; these vehicles are marvels of innovation. I think anybody who wants to buy one should have the option. Where the folks that I represent struggle is to be told by the government what they can and cannot buy. Yes, it's the manufacturers that are being told that they have to build them, but if people don't want to buy them, they are being forced into it.

I can look at, for instance, somebody who has bought a used beater. They're a low-income or modest-income person or are called working poor. They're working their tail off to try to support their family. They really struggle with this ivory tower government that tries to tell them what is best for them, and that it is going to save them so much money, when they can barely afford to put groceries on their table. What would you recommend I say to a low-income resident in my riding when they say to me that they don't want to buy an electric vehicle?

● (1225)

Sam Hersh: Again, that's not what the standard is saying. I think when we're talking about the cost, we should also look at the opportunity cost that's mentioned in the report by Dunsky. Again, I'm sure Mr. Turner can speak more to that.

When it comes to health care, for example, over the long term, from some modelling that we did as well, there's $90 billion in savings when it comes to health care, with 11,000 fewer premature deaths. I think there are lots more benefits to implementing this and to making sure that we reach our climate targets as well.

Again, I think a lot of people in rural Canada want to be able to afford an electric car as well. I don't think every single person in rural Canada and other ridings across the country wants to drive just gas cars. What the EVAS does is, again, give them the ability to choose. By driving up supply it lowers prices and gives people the ability to be able to afford an electric car, which I think is positive and what we need in this country.

The Chair: You have four seconds.

Branden Leslie: It's okay, Mr. Chair.

The Chair: Thank you.

Mrs. Miedema, you have the floor for six minutes.

Shannon Miedema: Thank you very much.

It's nice to see you both, Mr. Turner and Mr. Hersh.

During the course of this study and in our previous one, we've talked a lot about myth-busting. I just witnessed a great example of that with my honourable colleague from the Conservative Party.

I wonder, Mr. Turner, if you would like to add to that conversation and talk a little bit about mandate versus availability standard, and what it means specifically for automakers, what it means for dealerships and what it means for the consumer.

Jeff Turner: Thank you, Mr. Chair. I'm happy to contribute.

I'd say, thinking about how to respond to constituents who are concerned about this policy, first of all, one of the aspects to keep in mind is the time trajectory that we're talking about here. For example, today we're not at all talking about forcing everybody to buy an EV. We're talking about a policy that would require automakers to find 20% market share of their sales somewhere in the country to be electric. So, yes, it's possible that some people are reluctant, but the chances are that if we were at 14% market share in 2024 with the right mix of policy measures in place, 20% shouldn't be too much of a stretch.

Now, the elephant in the room is that, of course, over time that target increases. I think one of the things I mentioned is that in our analysis we pay careful attention to technology evolution. I think if you go back 10 years, the EVs on the market had maybe 120, 140 kilometres of range. You could only buy cars. There were no pickups on the market. Today, we have fully electric pickup trucks with a range of over 700 kilometres. We're having debates about exactly which use cases can or cannot be supported by the current crop of EVs. We'll be seeing plug-in hybrid pickup trucks coming to market from Ram next year, which should address a lot of concerns around range anxiety and things like that.

I think that's really important to keep in mind, when we project out 10 years from now, where we think the technology is going. We also have EVs that can charge in under 20 minutes at this point. I think there's generally a lack of awareness of this progress and the various technology options that are coming to market both here in Canada and elsewhere across the world.

On the topic of grid impacts, we were the authors of the study that's often reported on in terms of the cost of upgrading our grid. We presented a range of possible outcomes, including more optimistic and more conservative scenarios. We find that, of course, the very top end of that estimate is often quoted. Our central estimate is that grid upgrades are more on the order of $90 billion, and that's for both light and heavy-duty transportation. Just for light-duty vehicles, we are talking about $45 billion by our latest estimates. Crucially, those EVs contribute over $70 billion in revenue to electric utilities because EV drivers pay for more electricity. The revenue that utilities collect from these EV drivers more than offsets the cost of the upgrades required to support them. This mirrors findings that we're seeing south of the border as well in California that find that EVs are actually a net benefit to the grid and can drive electricity costs down for all electricity consumers, whether they drive an EV or not. I think that's in parallel to significant benefits in terms of fuel savings as well.

● (1230)

Shannon Miedema: Thank you.

Why do you think we get such strong push-back from different political perspectives and from the Canadian auto sector itself when we understand the way the world is going? We understand Canada is on fire and flooding on a regular basis. We understand that we would like to be leaders and not laggards in growing our economy. What is it at the end of the day? Is it like those private interests that are just that kind of stronghold? Can you comment on that a little bit, please?

Jeff Turner: I wouldn't say that our research and analysis really goes into the politics of any of this. I would say that one major factor that influences our forecasts of where this market is going is awareness and understanding of these technologies. In general, you find that consumers aren't really aware of the fact, for example, that it costs about $5 to charge up, and you can do this at home, provided you have a driveway. We do think that awareness of these solutions is part of the problem.

It is telling that there are a number of government-funded education awareness initiatives. There does seem to be a lack of this kind of information coming from the folks who make these products in many cases. I do think that that's probably one of the big pieces of the puzzle. If you ask anybody who's actually driven an EV.... I live in a rural area. My neighbour is a hunter. He's a carpenter. He drives an EV. He's very happy with that. I think there's a clear sign that folks who actually give this technology a chance find it actually really convenient and very affordable.

Shannon Miedema: Thank you.

Mr. Hersh, would you quickly like to comment on things that your organization is thinking about to try to myth-bust and to provide that kind of education and awareness? There can be really strong paid-for advertising from lobbying groups. What can we do to really show fact versus fiction here?

Sam Hersh: I think Mr. Turner really answered a lot of that. In the short amount of time I have I do think, when it comes to more education and awareness initiatives from the government, that it's warranted. In terms of some myths that we just heard of, the idea that there is no demand or there's very little demand for this I don't think is true. I think the real issue is the restriction of the market supply and the uncertainty when it comes to what's happening with the EVAS. We need a more stable EVAS and I think that would lead to higher demand.

The Chair: Thank you.

[*Translation*]

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

Patrick Bonin: Thank you, Mr. Chair.

I have to admit that my Conservative colleagues are particularly effective in some of their campaigns. We saw this in the case of carbon pricing, which even led the government to backtrack. We've also seen it with electric vehicles. In fact, they oppose almost every environmental measure through strategic communications. It has to be said that sometimes there's even disinformation.

Do you think the government is doing enough to defend, promote and publicize the benefits of a zero-emission mandate?

Sam Hersh: Yes, I think the government could probably do a better job. As I just said, we need more education and awareness programs. We've tried to educate and raise awareness in a number of campaigns. I think there are a lot of myths out there, such as the myth that there's a $20-million tax. I think the government should be doing more to combat these ideas and rhetoric.

Patrick Bonin: What would you like to see the government do in terms of concrete action?

Sam Hersh: I'd like to see more programs and more investment in certain programs so that we can promote them in the various regions. More information would be needed not only on how electric vehicles work, but also on the standard itself. I find that there are a lot of myths and a great deal of misinformation about the standard itself.

● (1235)

Patrick Bonin: So we need education, awareness and information programs, as well as advertising.

Sam Hersh: Yes.

Patrick Bonin: Mr. Turner, we don't hear enough about opportunity costs, particularly economic and health costs. I think you put it at $8 billion.

I'd like you to talk a little bit about that.

Can you tell us about the benefits of that?

Jeff Turner: Thank you for your question.

[*English*]

I would say that this is often left out of the discussion. I think a lot of our analysis in previous years had a big focus on reducing greenhouse gas emissions, but I think this loses sight of a number of benefits that are much closer to home for the average consumer.

I mentioned my neighbour, who is very happy to be saving thousands of dollars a year by driving an EV. That's one of the benefits of this technology that is, really, overlooked. I think the vast majority of people are still unaware of how much more affordable an EV can be to drive.

In terms of air quality, anybody who lives in a city is familiar with those days, during the peak of summer, when you go in and you see that yellow haze over the city. The numbers show that this has a significant impact on a portion of our population who deals with respiratory challenges.

[*Translation*]

Patrick Bonin: Can you tell us about the costs, not only in dollars, but also in human life and hospitalization? That might wake up my Conservative colleagues.

Jeff Turner: We recently released a report that quantified health savings. We're talking about billions of dollars. In fact, we're talking about $4 billion, and $6 billion until 2035. Savings will certainly increase after 2035, given that the rate of EV adoption will increase after that date. So the savings will go up even more until 2050.

Patrick Bonin: Can you send us those figures? Do you have anything concrete for my Conservative colleagues, who don't understand that there's a public health, death, premature death and hospitalization issue? Do you have any numbers on that?

Jeff Turner: Certainly. I can send you our report as well as a study done by the Atmospheric Fund. That agency worked with Health Canada to quantify these savings and study in depth the types of diseases involved, the types of benefits and how much they might increase until 2050.

Patrick Bonin: If you could submit that, it would be appreciated.

We often hear that we're going to run out of power and that we're not going to be able to meet the demand. However, in China, a developing country, 50% of new vehicles sold are electric. Yes, I'm talking about China.

In your opinion, is it feasible, even desirable, to meet that demand for electricity? How much more electricity is needed? Do you think a developed country like Canada will be able to meet the additional demand?

Jeff Turner: Thank you for your question.

[*English*]

I think those are great examples of the transformation that we've seen in other countries. Some countries are going from not having a developed electricity system at all to suddenly seeing rapid development in that space. If you look back 100 or 150 years here in Canada, you see that we did not have an electricity system.

Yes, it is a significant transformation. We are talking about significant low growth over time, but there are two elements that work in favour and mean that electric utilities actually like transportation electrification.

First of all, it's not going to happen overnight. Some people like to talk about what would happen if everybody switched to an EV tomorrow; that's simply not going to happen. Even if we hit 100% of new sales in 2035, it would take until about 2050 before the entire fleet was electric; that fleet turnover time gives utilities a long runway to react to this transition.

More importantly, utilities see EVs as a very flexible load. Most people want an EV with 500 kilometres of range, but they drive only 50 kilometres a day, and it takes about one to two hours per day to charge for that. Most people plug in at 6 p.m. and unplug the next day at 6 a.m. or 7 a.m. There's a lot of flexibility in when that charging can happen, and that's really the key ingredient that allows utilities to turn EVs into a net benefit in the grid. It's a flexible load that can accommodate and shift away from when the grid is already at full capacity and maximize the use of variable sources of renewable energy.

The Chair: Thank you very much.

[*Translation*]

I now give the floor to Mr. Bexte.

[*English*]

Mr. Bexte, the floor is yours for five minutes.

David Bexte: Thank you, Mr. Chair. Thank you, witnesses. I really appreciate your being here today. It takes a lot to come to the committee, and I appreciate it a lot.

There's a lot to unpack here.

Mr. Turner, you were talking about grid upgrades. As a quick question, in terms of forecasting the cost for grid upgrades, how often do we hit the low forecast, generally, in modelling exercises?

● (1240)

Jeff Turner: That's a great question.

I think it varies, depending on the forecast. We've had the opportunity of forecasting EV adoption since about 2018, and we often provide a range of estimates. I would say that there was a period when we found that the pace of adoption was closer to the higher end of our forecast, and in other cases, more recently, we're actually trending a little bit towards the lower end.

David Bexte: Okay, thanks. It's $90 billion on the low end and $200 billion on the high end, and the likelihood of which one it's going to be is unknown.

Jeff Turner: Actually, it's $40 billion on the low end, while $90 billion is our central assumption.

David Bexte: Could you break out the difference of the cost of added transmission versus generation?

Jeff Turner: Yes. We have those numbers in our report. I don't have them off the top of my head, but generally speaking, generation is the largest component. In the near term, local distribution is probably the nearest pain point, and transmission is somewhere in between. It obviously varies considerably across the country.

David Bexte: Local distribution is a big problem with the lack of supply of transformers and the impact to residential service.

Ultimately, there is going to be 100% adoption. This is a mandate. There's no question that there is no choice if the government continues with this process, and people become very concerned when there are no adequate, suitable options, especially in rural Canada and remote Canada. The cost of accelerating this transition is going to be borne by the ratepayers, because there will be a mismatch.

Could you talk about anything that could mitigate that mismatch in supply versus demand? I'm talking the grid and the electricity supply.

Jeff Turner: I can, absolutely.

I think the key ingredient is for utilities to be prepared for this transition. That means rigorous load forecasting and grid upgrades in some cases, but crucially, it means designing programs that encourage off-peak charging and take advantage of flexibility in the times when charging can happen.

The vast majority of Canadians, if they can charge at home, are going to charge at home overnight, and that's actually a really good time to maximize utilization of the fixed assets on our grid, sell more kilowatt hours for the same fixed costs and spread those costs across a larger customer base.

David Bexte: Would that be motivated by a subsidy or...?

Jeff Turner: I'm talking about EV adoption. If it is accelerated, it can accelerate those benefits in terms of—

David Bexte: Do you mean EV adoption motivated by a subsidy or a penalty or...?

Jeff Turner: This works across the board. In the case of utilities being prepared for adoption, I would say that it's having some kind of market certainty in having these targets that they can design around.

David Bexte: This market certainty, then, is driven by subsidy or penalty.

I would have to say that goes directly to what some other colleagues have compared to the China example, and I would absolutely not want to be in the China circumstance, with the compulsion and then with their environmental record, for all of the manufacturing supply chain process related to that.

I think you're suggesting that there's a long runway to build the grid, but I don't think that runway is long enough. We don't send the right signals to be able to get the right things built in the right time, so what are the alternatives if we get a mismatch?

Jeff Turner: I would say that's not what we're hearing from electric utilities so far. They look at this and see that there's significant load growth. They need to make the case for these investments.

I think an interesting experiment is to go to the website of any electric utility in Canada. The chances are that you'll probably find that utility has a page on their website telling their customers about EVs and how great they are, answering questions and probably providing rebates. That does not tell me that these utilities.... They're acknowledging that there's work to do, but they're not pumping the brakes on this transition towards EVs. If anything, we're seeing the opposite.

David Bexte: Picking a perfect example of BC Hydro, I used to live in Fort St. John and heard Site C being talked about for three or four decades before it really got going. How many Site C dams are we going to need just for B.C. to adopt this?

Jeff Turner: I think the key ingredient, again, is the fact that EVs can charge off-peak when there's spare capacity on the grid to begin with. If you do this right, the load growth is actually much more manageable.

David Bexte: Account for what you predict as the load growth. How many more Site Cs do we need?

Jeff Turner: I don't have that number off the top of my head—

David Bexte: Guess....

Jeff Turner: —but I can share a report that will provide that.

David Bexte: Guess.... Is it one? Is it 10?

Jeff Turner: It's probably closer to one.

David Bexte: Thank you.

The Chair: Thank you, Mr. Turner.

Thank you, Mr. Bexte.

[*Translation*]

Mr. St-Pierre, you have the floor for five minutes.

[*English*]

Eric St-Pierre: I reiterate my colleague's congratulations for being here today. Thanks for travelling and being here.

● (1245)

[*Translation*]

Mr. Turner, in 2024, you released a report on Canada's EV charging infrastructure and presented it to Natural Resources Canada. In it, you wrote the following: “Utility representatives also told us how important it is to have federal targets and regulations…”

First, can you provide the committee with a copy of that report? Second, can you explain why, in your opinion, these EV regulations are needed?

Jeff Turner: Thank you for your question.

Of course, we can send you that report.

[*English*]

We've been in the room with electric utilities as they try to decide what forecast they should build their plan around. They're actively trying to decide what kinds of investments they need to make.

It used to be that, when we first started doing these kinds of forecasts in 2018, we would put forth several different scenarios for how many EVs might materialize on their service territory. Our job has become a lot easier as we've started talking about these regulated targets. It might actually put me out of a job because, frankly, if they can just point to a target and say, “Well, we know there are going to be at least this many EVs,” then that narrows in our forecast of what we need to build for, and we can focus on other challenges.

We've seen first-hand how that can really make it easier for these utilities to plan and also to make the case to their regulators that these are investments they can and should make, and that they are in the best interests of the ratepayers.

Eric St-Pierre: That's great. Thank you.

Mr. Hersh, I have a question for you.

On November 4, Environmental Defence Canada published a reaction online to budget 2025. Environmental Defence Canada said, “More positively, the government promises that the Climate Competitiveness Strategy will strengthen industrial carbon pricing, including strengthening the backstop...fixing the benchmark.” Further, it talks about other climate issues, such as methane regulations.

Can you provide a copy of this news release to the committee? Why does Environmental Defence think that certain climate policies, for example, industrial carbon price, are important?

Sam Hersh: Certainly we can provide a copy of that press release.

Again, it's not particularly my file, but obviously it's a good policy, and we were pleased to see things like that in the budget. I would defer to some of my other colleagues at Environmental Defence to respond to that question.

Eric St-Pierre: That's great.

Mr. Chair, I'd like to resume debate on my motion that I filed on October 31 to study the industrial carbon price.

A few weeks ago, I submitted this motion. I thought it was very important. It was adjourned, but I do think it's quite important. It is in budget 2025, which was passed earlier this week. The industrial carbon price is, according to the Canadian Climate Institute, one of the most effective climate policies.

I think it would be very pertinent for this committee to spend some time studying the industrial carbon price, so I'd like to go back and bring my motion to a vote.

The Chair: We are currently on a different study. You would have to move that we resume debate.

Eric St-Pierre: That's right. At the beginning, I said I'd like to move to resume debate on my October 31 motion.

The Chair: All those in favour with respect to the motion?

Mr. Leslie.

Branden Leslie: Sorry; just to clarify, is this to debate returning to the motion?

It's dilatory; okay.

(Motion agreed to)

The Chair: Mr. Turner and Mr. Hersh, you're excused. Thank you again for coming.

Laila Goodridge (Fort McMurray—Cold Lake, CPC): Mr. Chair, I have a point of order.

The Chair: Please go ahead, Mrs. Goodridge.

Laila Goodridge: Why are they excused? We don't know how long it's going to take to discuss this.

Branden Leslie: They might enjoy this.

● (1250)

The Chair: I'd like to ask the members if their wish is to excuse the witnesses or to have them stay behind and listen to the debate.

Laila Goodridge: I think the question at this point, Mr. Chair, if I may, is the fact that we have witnesses here. We are studying something that is very important, clearly, to the Liberals. Now, instead, they are disrupting their own witnesses to bring this forward. I'm just curious how long they plan on talking this out.

The Chair: As the motion was brought forward by MP St-Pierre, he has the floor now to speak on that motion.

The witnesses who are here will no longer be speaking.

As you can see from the clock, we are 10 minutes from the end of our meeting. Therefore, as a matter of courtesy, I made the comment to request that the witnesses leave.

If your wish is not to have them leave, then I'm going to bring this to a vote and we can decide that way.

All in favour of the witnesses leaving?

[*Translation*]

Mr. Bonin, the witnesses don't need to be here. As a courtesy, I would ask that they be free to leave. Are you okay with them leaving?

Patrick Bonin: I agree that they should be free to leave.

[*English*]

The Chair: You're free to go. Thank you.

We're resuming debate with Monsieur St-Pierre.

Eric St-Pierre: I'd like to bring the motion. I'm happy to read it out again. We have copies.

It reads:

> Whereas Canada has committed under the Paris Agreement to limit warming to 1.5 C, and industrial carbon pricing is central to meeting those commitments;
>
> Whereas industrial carbon pricing systems will be responsible for between 20 and 48 per cent of Canada's emission reductions in 2030;
>
> Whereas industrial carbon pricing systems have an average impact of approximately 0 per cent on household consumption in 2025;
>
> That pursuant to Standing Order 108(2), the Committee undertake a study on industrial carbon pricing, including Canada's Output Based Pricing System (OBPS), including design, effectiveness in reducing emissions, competitiveness, and carbon-leakage protections; that the Committee report its findings to the House, and that pursuant to Standing Order 109, the committee request the government table a comprehensive response to the report.

The Chair: Thank you, Monsieur St-Pierre.

Is there any debate?

Go ahead, Mr. Grant.

Wade Grant: I don't think I was here that day, but I have now seen it and I do have a couple of amendments.

My first one is in the third paragraph. Where it says, “Whereas industrial carbon pricing systems have an average impact of approximately 0 per cent on household consumption in 2025”, it should say “household cost in 2025”.

That's the first amendment.

The Chair: We'll do one amendment at a time so we can give the option to all members to discuss each amendment.

On that first amendment, Mr. Leslie, go ahead.

Branden Leslie: I would love to make some comments on that.

It's a very definitive statement that the “industrial carbon pricing” system has “an average impact of approximately”, followed by the very specific number of “0”. For the amendment to say that it has no impact on costs would mean that it doesn't exist, because anything that is increased in cost due to and passed on to the consumer.... I take issue with the entirety of that line being a claim of a factual statement.

Regardless of the amendment, I would move a subamendment that the entirety of that line simply be removed for accuracy's sake.

The Chair: Go ahead, Monsieur Bonin.

[*Translation*]

Patrick Bonin: Mr. Chair, since we're trying to move forward as quickly as possible, is it essential that this reference be in the preamble of the motion? I think the goal is to adopt the motion and get on with the study.

The Chair: Mr. St-Pierre, would you like to answer that question?

● (1255)

Eric St-Pierre: Thank you, Mr. Bonin. The goal is to adopt the motion.

I agree with removing that sentence.

[*English*]

The Chair: Is there any further debate on this amendment or on the removal of this sentence?

Okay, can we go forward with the first subamendment please? The subamendment is to remove the sentence.

(Subamendment agreed to)

The Chair: Great, so now we'll go to the initial amendment as amended.

Wade Grant: He wants the original amendment. Is that right? I thought we just took it out.

The Chair: Now we'll do your second amendment.

Wade Grant: Yes, I want to talk about the amount of time we spend. The committee meets for seven meetings on this study.

The Chair: Can I just intervene for a minute, because the clerk is a little confused?

The first amendment was with respect to including the word "cost". Then, there was a subamendment to that first amendment that was to remove the whole sentence. In conclusion, we adopted to remove the whole sentence, so therefore the first amendment with respect to inserting the word "cost" has dropped, because the whole sentence has been deleted.

Now we're going to the second amendment.

Can you please recap so that we can look at that before going forward?

Wade Grant: At the end of the final paragraph, we add "that the committee meet for seven meetings on the study".

The Chair: The second amendment is with respect to having seven meetings.

Is there debate?

Go ahead, Mr. Leslie.

Branden Leslie: Thank you, Mr. Chair.

I appreciate that the government has decided to offer any clarity. When this motion was first tabled, I was very skeptical that they would want it to be a very long study to run out the clock of this committee's important work, and it turns out that seven is just how long they want to run out the clock for on the important work of this committee. I think that is exceedingly long, given that the government has indicated in the budget that they plan to strengthen it, with no indication as to what that looks like, while also simultaneously paring back other marquee Liberal-era policies regarding the environment.

I have very little faith that the work of this committee is going into the development of an actual policy of what "strengthening" looks like, and I'd be very curious whether the Liberal members might have some insight as to when their "might be" announced changes come because, realistically, we will not start this study until February.

Based on the calendar, we have four outstanding appearances from the minister, and I noticed that the minister's appearance is not even included in this. It seems odd that the government would not want their own minister to appear on such an important issue, to discuss what "strengthening" might look like. Perhaps it's because we have yet to see the minister before this committee. I know she is slated to attend some time in early December, after not one but four separate invitations to appear before this committee. Again, a glaring omission from this particular motion itself is the fact that there is no desire to have the minister come before this committee to explain what "strengthening" means in the budget.

I'm opposed to the entirety of this motion because I think it's on the government to come forward with clarity about what their own policy is, unless they give us some confidence that anything we do during a study of this would actually go towards looking at what strengthening a policy would look like. However, given the calendar as it exists and that the environment commissioner came out with reports—which the government, I'm sure, doesn't want to hear, when he comes to tell us that we are nowhere near on track to meeting our emissions reduction targets—I think that should certainly take a priority, as well as the calendar, which is already very full.

Again, this is going to start in February, when we return—maybe late January in a best-case scenario. Setting up for seven meetings will take us, with other ongoing drafting, we have numerous reports.... This is an obscenely long study for the review of a policy that, I would hope.... Given the urgency this government stated it's going to act on, in terms of both economic growth and emissions reductions, but has yet to live up to, it seems silly for us to commit ourselves to such a lengthy study so far into the future.

I do not believe that we should be giving ourselves seven meetings. Frankly, I think we should put a pause on the entirety of this to allow the government to come forward with its plans for what strengthening the industrial carbon tax actually looks like.

I'll pause there, Mr. Chair.

● (1300)

[*Translation*]

The Chair: Mr. St-Pierre, you have the floor.

[*English*]

Eric St-Pierre: I'll keep it short.

This was a key item in the budget. The Canadian Climate Institute mentioned that industrial carbon pricing will probably be the most effective climate policy to meet our emissions reduction targets.

Branden Leslie: That was the EV mandate.

Eric St-Pierre: It's interesting, because we just had a vote on the election, and two of your members were hiding behind curtains, so, clearly, you guys don't want an election. I think we're going to be here in January, for sure. You have a leadership review for your party.

If you want to debate the amount of time in the motion, I'm very happy to take your suggestions on the amount of time, but I hear, quite often...I feel that about half of the questions in the House these days are on industrial carbon pricing. I hear a lot of the opposition talk about the industrial carbon price, so I actually thought this would be quite of interest to all of the parties here today, especially for the Conservative Party. I think it's an opportunity to do a deep dive on this issue, and I suggest we take it to a vote.

[*Translation*]

The Chair: Mr. Bonin, you have the floor.

Patrick Bonin: Mr. Chair, I share some of my Conservative colleague's concerns about our already busy agenda. However, I think it's important for the committee to move forward and be able to adopt motions. Then we can agree on a schedule. I would therefore like to limit debate on this motion.

I also believe that seven to nine meetings on this topic is far too many. We had four to six meetings for the entire emissions reduction plan. Carbon pricing is only part of it. It seems to me that we could hold a maximum of four meetings and debate how to fit them into the schedule.

Everyone seems to want to talk about carbon pricing. It would be nice if we could move forward on that today. We will have time during the session to talk about the schedule. We'll have to see what priority we give it, how we make sure the minister comes back and which study we start first, this one or the one on insurance.

Since we're going to begin a round of questions, I'd like us to move on.

The Chair: Mr. St-Pierre, do you want to respond to Mr. Bonin?

Eric St-Pierre: Yes, I'll do it very quickly.

I think four meetings would be reasonable.

It being one o'clock, we can go to a vote on four full meetings. I think we need to be very productive. This is an extremely important topic.

I'm ready to vote.

The Chair: Before I go to Mr. Ross, I want to check to see if there's a subamendment to this amendment.

Is that what you proposed?

Eric St-Pierre: I'd like a clarification. Did the member from the Bloc Québécois move to reduce the number of meetings from seven to four?

The Chair: Before I go to Mr. Ross, is there a subamendment or not?

Patrick Bonin: Mr. Chair, I propose a subamendment. I think we could also invite the minister.

The Chair: The subamendment therefore proposes to limit the number of meetings to four. Did I hear that correctly?

Patrick Bonin: I also propose that we invite the minister.

The Chair: Okay.

Is there any debate on the subamendment?

[*English*]

Ellis Ross: My comments are related, yes.

The Chair: I'll come back to you.

[*Translation*]

Mr. Ross has the floor.

[*English*]

Ellis Ross: Thank you, Mr. Chair.

We can't really be having a conversation until we're clear on what the government's approach is, on the plan. We've heard very general statements in the budget about the emissions cap being lifted or not being lifted but being contingent on other measures. We can't really go back and talk to our constituents about a “what if” initiative. I mean, it's our job to respond to government policies as long as it's here in black and white. We have nothing to go on here. We have absolutely nothing.

I agree with my colleagues in saying that it is really important that we get the minister here to describe exactly what the initiative is before we start considering studies like this. Right now, we're just going on rhetoric and politics. We need a clear, definitive plan based on being the strongest country in the G7 and being an energy superpower. The emissions cap is important to Canadians. Given our job here, I think the minister is crucial to answering a lot of these questions before we go forward in determining our work schedule.

● (1305)

The Chair: I want to remind the committee that the minister is scheduled to come on December 1.

Is there any further debate?

Wade Grant: No.

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

I don't really want to ask questions, but perhaps my Liberal colleagues across the way may know and be able to respond after. This is just to build on my colleague Mr. Ross's comments regarding the timeliness and lack of information, assuming that the budget language is around strengthening.... That's leaving aside the emissions cap, but it's certainly an issue that we may want to study.

To my colleague across the way, yes, I am more than happy to talk about the industrial tax on everything in this country, but until we reach a point where it's clear what the government's plan is, I find it silly for us to try to make comments without knowing what the actual plan is. I would like to propose a different approach to this study, recognizing that I would like to have this study, which will be in February or March. Again, I would be shocked if the government didn't move forward with some sort of clarity on what a new carbon tax scheme looks like by then.

Are we on debate for an amendment right now?

An hon. member: It's a subamendment.

Branden Leslie: Okay.

My point is that I'd like to invite the minister and officials to come for two hours after the announcement is made to explain what the changes are. Then, if this committee so chooses, at that point in time—maybe we'll all agree that they are incredibly great changes, or maybe we'll think they are not strong enough, or whatever the situation might be—we could look at whether it's the specific language of this motion as presented or something different, but it comes forward with the same purpose, which is to study the industrial carbon tax.

I just think it behooves us to allow the government to do ITS work and fulfill ITS promises and then for us to criticize—not to just come up and pontificate and waste this committee's time when we have so many other issues. Locking it in, whether it be for even four meetings, really reduces the ability for us to be nimble. By the time we are studying this, there may be yet another environment commissioner's report on a whole suite of other issues. I just think it behooves us to remain nimble and responsive to issues as they emerge on the international stage and on the domestic stage.

Again, hopefully there's a middle ground here if we bring the minister and officials to talk specifically about what strengthening the industrial carbon tax means; we allow her to explain what the policy is and what it's going to be; we from there revisit this issue; and then we decide how many meetings make sense, based on the changes the government has put forward.

The Chair: I think we've gone out of scope here.

I would like members to follow the process. I let you speak to be courteous, but the next time I won't.

There is an amendment. There is a subamendment. I think we need to clarify and complete the subamendment, and then move it to a vote.

On the subamendment, which was Mr. Grant, and then Mr. Bonin, to bring it to four encounters from seven, can I have a vote on that?

[*Translation*]

Patrick Bonin: Excuse me, Mr. Chair.

I want to intervene for added clarity. The subamendment proposes to hold four meetings and invite the minister.

[*English*]

The Chair: All those in favour?

Branden Leslie: No, hold on. It's very difficult to vote on very vague language like that, because words matter in terms of the invitation.

I would like to see the language of that subamendment. The way I interpret that, and the way I hope it would be received, is that there would be a maximum of four meetings, including an appearance by the Minister of Environment and Climate Change at one of those four meetings. The word “and” in there can be ambiguous. If we are moving too quickly and on the fly, I feel like we don't exactly know what we are voting on.

The Chair: You've just made the puzzle a lot more difficult to deal with, because you've added an amendment to an amendment to a subamendment.

Branden Leslie: Mr. Chair, I am trying to get clarity. Perhaps the clerk could read out what the subamendment—

The Chair: I think there was clarity to start off with. There was discussion with respect to the number of meetings, and then there was discussion with respect to having the minister attend. I think now we're going to move to a vote.

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

With all due respect, it is entirely reasonable for me to ask how the subamendment will read if it is passed by a vote. I'm just asking that you or the clerk read out what the subamended motion would read as.

● (1310)

The Clerk of the Committee (Leif-Erik Aune): The original motion did not prescribe a duration for the study. As I understood it, Mr. Grant's amendment to the motion was to prescribe that the study run for seven meetings. Then Monsieur Bonin moved a subamendment to Mr. Grant's amendment, that the study last for four meetings, and that Minister Dabrusin be invited.

For the minutes, I would spell out the minister's full title.

[*Translation*]

Patrick Bonin: I was talking about a maximum of four meetings.

[*English*]

The Chair: Perfect. We've heard the clerk explain the subamendment. I'm bringing it now to a vote.

(Subamendment agreed to [*See Minutes of Proceedings*])

(Amendment as amended agreed to [*See Minutes of Proceedings*])

The Chair: We're resuming debate now on the original motion.

Mr. Leslie, please go ahead.

Branden Leslie: I understand that the practice of the committee typically has been that we do our studies in the order in which they are approved. Looking at the calendar, I see that takes us to the end of January or early February.

Recognizing that I assume the government is going to do something in the intervening time, I would propose an amendment, on the last line of the motion as amended, that the minister appear within two weeks of an announcement regarding changes to the industrial carbon tax.

[*Translation*]

Patrick Bonin: I have a question on that. If the study begins before changes are made to carbon pricing, your wording would mean that the minister would not appear, because there would have been no changes.

[*English*]

Branden Leslie: That's a very fair question from my colleague.

I'm trying to buffer against the four invitations that have gone unanswered by this minister. My expectation is that the environment minister will continue to hide from this committee and will not appear. The amendment is an effort to ensure that the minister shows accountability to this committee and Parliament, broadly speaking, by showing up within a set period.

That's a very fair point, not knowing when the strengthening of the industrial carbon tax announcement or any further details may be coming. I'm willing to make changes to the specific text of that, but my concern is that we are soon, hopefully, to be giving drafting instructions on the failure of this government to meet its 2030 emissions reduction targets. Specifically in that motion, we have not yet fulfilled it because one of the centrepiece items in that motion was to have the minister appear. I'd hate for us to forget that this was a key part of the motion that you, my colleague from Quebec, had sponsored to bring the minister here. We still have not heard from her.

She is slated to come on the supplementary estimates. Great. The most basic thing a minister could do is come before her committee on the money going out the door to her department. We had to fight tooth and nail to get her to stay for a second hour on what was the first motion this committee passed in its infancy, which was, “Hey Minister, come here to talk about your priorities and your mandates since there are no longer public mandate letters.” We have outstanding...on the emissions reductions target and the electric vehicle mandates that are in place, although on pause.

My concern with making that particular proposed amendment.... I'm willing to be flexible on that, but we have just such a long track record. The history of the so-called new Liberal government is the Minister of Environment refusing to appear—

● (1315)

Wade Grant: I have a point of order.

Branden Leslie: I want to make sure that she actually shows up for once.

The Chair: Go ahead on a point of order, Mr. Grant.

Wade Grant: I just want to reiterate to the committee that the minister is slated to come not just talk about the supplementaries; she's coming to talk about her mandate as well. That has been confirmed.

Laila Goodridge: Mr. Chair, that is not a point of order.

Wade Grant: He was done anyway.

The Chair: What are you going to do about it? I did it already and he said what he had to say.

Is there any further debate?

(Amendment agreed to [*See Minutes of Proceedings*])

(Motion as amended agreed to [*See Minutes of Proceedings*])

The Chair: The meeting is adjourned.