



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

45th PARLIAMENT, 1st SESSION

Standing Committee on Environment and Sustainable Development

EVIDENCE

NUMBER 004

PUBLIC PART ONLY - PARTIE PUBLIQUE SEULEMENT

Thursday, September 25, 2025

Chair: Angelo Iacono



Standing Committee on Environment and Sustainable Development

Thursday, September 25, 2025

• (1120)

[*Translation*]

The Chair (Angelo Iacono (Alfred-Pellan, Lib.)): The meeting is now public.

Today the Standing Committee on Environment and Sustainable Development is undertaking a briefing and is meeting with senior officials from the Impact Assessment Agency of Canada and the Canada Water Agency for one hour.

The witnesses are accompanied by Adam Borden, senior parliamentary affairs officer at the department, to support the testimony of senior officials.

Is it the will of the committee to allow Mr. Borden to attend the in camera session? I see that everyone is in agreement. Good.

Today we have, from the Impact Assessment Agency of Canada, Patricia Brady, vice-president, strategic policy and programs; Ian Ketcheson, vice-president, indigenous relations; and Éric Landry, vice-president, operations.

From the Canada Water Agency, we have Gemma Boag, director general, freshwater policy and engagement; Véronique Hiriart-Baer, director general, freshwater management; and Justyna Frobisher, acting director general, corporate services directorate, by video conference.

Is that correct, Mr. Clerk? Good.

[*English*]

Each organization has up to five minutes to make an opening statement.

We will start with the Impact Assessment Agency of Canada.

You have five minutes. Thank you.

Patricia Brady (Vice-President, Strategic Policy and Programs, Impact Assessment Agency of Canada): Thank you, Mr. Chair and honourable members.

My name is Patricia Brady, and I am the vice-president of the strategic policy and programs sector at the Impact Assessment Agency of Canada. I'm here with my colleagues Ian Ketcheson, who's the vice-president of indigenous relations, and Éric Landry, who is the vice-president of operations at the agency.

I'd like to begin by acknowledging that we are gathered on the unceded territory of the Anishinabe Algonquin nation.

[*Translation*]

I am pleased to appear before the committee today to provide an overview of the work of the Impact Assessment Agency and to answer your questions on the Impact Assessment Act.

The agency's main responsibility is to conduct impact assessments of major projects, and regional assessments which look at prospective development on a regional basis to identify issues in advance, including cumulative effects.

Impact assessment is a project planning tool and the act provides for a process and forum to assess the effects of projects, coordinate Crown consultation and meet the duty to consult, and obtain public input.

Assessments ensure that issues are identified in advance so that adverse effects in federal areas that may be caused by projects can be prevented or mitigated through project design changes or conditions.

[*English*]

The act applies only to major projects, such as large mines, nuclear facilities and ports. Projects subject to the act are identified in the physical activities regulations, commonly known as the project list, which set out the types and sizes of projects that are subject to the act. The list focuses on those projects that are most likely to cause adverse effects in areas of federal jurisdiction, which include effects on fish and fish habitat, migratory birds and transboundary waters, as well as impacts on indigenous people.

Since the Impact Assessment Act first came into force, in 2019, an average of eight projects per year have met these thresholds and entered the federal assessment process. These projects are subject to an initial assessment, which includes consultations with indigenous peoples and the public, identification of key issues, and then a determination by the agency as to whether a comprehensive assessment is required. Approximately 40% of the projects that have come in and triggered the act have completed the process at that stage with early decisions, and many of those have been within six months. Only the most complex projects with the potential for serious adverse effects in federal jurisdiction will require more comprehensive assessments.

For these projects, the agency is now reforming our processes to complete comprehensive assessments within two years, in line with the government's commitments. There is flexibility within the current framework to do this through a number of measures, including focusing on key issues within federal jurisdiction; consulting indigenous peoples earlier and in a more targeted manner; standardizing process elements such as mitigation measures; using new tools, including artificial intelligence, to streamline internal process timelines; and reducing information requirements on proponents by relying on and deferring to provincial processes where overlap exists.

Co-operation with provinces will be key to meeting accelerated timelines and is a major focus for the agency right now. In the Speech from the Throne, the government committed to striking co-operation agreements with every interested province to realize the goal of "one project, one review" for major projects. First ministers then agreed to work toward efficiently and effectively implementing this, with the goal of a single assessment for all projects in a manner that respects federal, provincial and territorial jurisdiction, enhances coordination activities on permitting and eliminates duplication.

Co-operation agreements under the Impact Assessment Act will enable this and will set out how we'll work with provinces to meet shared and respective responsibilities to protect the environment and indigenous rights. This would replicate the positive experience we've had with B.C., where "one project, one review" has been the norm for the past decade. The agency has been working with provincial counterparts to develop agreements. We're currently consulting publicly on the "one project, one review" approach, and we have our first draft agreement, other than the agreement that exists with B.C. Our first draft agreement with New Brunswick was posted last week for consultation, and we are hopeful and expect more to come in the coming weeks.

[Translation]

Thank you again for the opportunity to highlight some of the agency's current work and priorities.

My colleagues and I are happy to take questions.

• (1125)

The Chair: Thank you, Ms. Brady.

We'll now go to Ms. Boag from the Canada Water Agency for five minutes.

[English]

Gemma Boag (Director General, Freshwater Policy and Engagement, Canada Water Agency): Thank you, Chair and honourable members.

I'd also like to begin by acknowledging that we are gathered on the traditional unceded territory of the Algonquin Anishinabe nation. We honour their enduring relationship with this land and water and recognize the vital role of indigenous peoples in protecting and stewarding fresh water.

The Canada Water Agency is a new federal organization with the mandate to improve freshwater management in Canada by providing leadership, effective collaboration federally, and improved coordination and collaboration with provinces, territories and indige-

nous peoples to proactively address national and regional trans-boundary freshwater challenges and opportunities.

The agency was launched in October 2024 with the coming into force of the Canada Water Agency Act. The agency reports to the Minister of Environment and Climate Change and is headquartered in Winnipeg, with offices across the country to ensure responsiveness to regional freshwater issues.

Fresh water is an irreplaceable natural resource. From coast to coast to coast, fresh water is fundamental to the economy, communities and the environment. Pressures such as climate change, land use change and pollution are driving changes in freshwater quality and quantity. Freshwater governance in Canada is complex, highlighting the need for strong, ongoing collaboration.

[Translation]

The Canada Water Agency directly responds to Canada's freshwater challenges and opportunities through work in five key areas.

First, through service to Canadians we are focused on restoring and protecting significant freshwater ecosystems.

For example, one of our key programs is the delivery of freshwater ecosystem initiatives. In the Great Lakes, St. Lawrence River, Lake Winnipeg and other nationally significant water bodies across the country, the Canada Water Agency supports freshwater management programs that improve ecosystem health in service to Canadians. These initiatives also mobilize financial commitments from multiple partners. The geographic extent of these initiatives is enormous, including approximately 90% of Canada's population and covering 40% of Canada's surface area.

Second, the agency provides policy leadership that responds to Canada's most pressing freshwater challenges and opportunities.

For example, the Canada Water Agency chairs the federal freshwater committee, which provides a forum for strategic discussion among senior management from 26 federal departments and agencies with a responsibility towards freshwater.

[English]

Our third work stream is cross-country collaboration, which involves creating partnerships to protect nationally significant freshwater ecosystems. In this role, the agency chairs and supports several domestic and international water boards, which strengthen collaboration on water issues among jurisdictions.

In our fourth work stream, we work to promote freshwater literacy to cultivate a water-aware Canada. As part of our freshwater ecosystem initiatives, we collaborate with partners to deliver reports on the state of significant water bodies. Through the EcoAction program, we support community-led projects aimed at increasing community engagement in protecting and sustaining freshwater resources.

Lastly, our work on science and data is focused on translating freshwater science and data to inform decision-making. For example, the agency is collaboratively leading the development of a national freshwater data strategy to establish guidelines and principles for how freshwater information can be stored, organized and shared.

● (1130)

[*Translation*]

In closing, the Canada Water Agency is committed to ensuring that freshwater in Canada is clean, safe and well managed—today and for generations to come.

We look forward to working on the government's freshwater priorities.

Thank you.

We are happy to take questions.

The Chair: Ms. Boag, thank you for your comments.

We will now move on to the question period.

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

[*English*]

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

Thank you for that presentation. It was very enlightening.

I'm glad to hear we're talking about indigenous issues as well as transboundary issues.

First nations from the U.S.A. are currently intending to expand their interests under section 35 of the Constitution, arguing they are owed a duty to consult and accommodate with major and minor projects in Canada. How are your departments preparing for this challenge?

Ian Ketcheson (Vice-President, Indigenous Relations, Impact Assessment Agency of Canada): I can respond.

As you're aware, and as the committee will be aware, there was a recent Supreme Court case that indicated—

Ellis Ross: By the way, I should have prefaced that with the court case. It was the Desautel case.

Ian Ketcheson: Yes.

Following the Desautel decision, which did find there's a possibility for some indigenous nations in the United States to have some section 35 rights in Canada, we're very aware of that. In the current context, there have been a number of projects coming through the Impact Assessment Agency system that have been located in close proximity to the United States. We work closely with our colleagues in British Columbia on these. We have not been for-

mally consulting with those groups in our projects; however, B.C. has a process for working with the southeast Alaska indigenous groups, and we have provided some engagement support for them currently. We recognize that, following the Desautel case, it is important to hear perspectives from communities based outside of Canada. On the active projects we have, we have not identified them for consultation, but we have been working to ensure their concerns are heard.

Ellis Ross: Thank you.

You are aware that the court case was actually very narrowly defined. It didn't expand into section 35 rights per se. It was a hunting right. If anybody else wants to challenge that, it has to be challenged in our courts. It does not necessarily mean we need to consult and accommodate first nations from the United States.

I was very glad to hear about the efficient timelines proposed and the objectives for the impact assessment guidelines. We talked about duplication. I heard about that. It sounds very similar to the newly created major projects office. Is there going to be a lot of duplication? It sounds exactly the same as what was described by the Prime Minister in terms of fast-tracking major projects.

Patricia Brady: I can answer that.

I would say that not all of the projects that will be eventually listed under the new Building Canada Act will necessarily be projects that are designated under the Impact Assessment Act. There's the potential that there will be projects listed that actually are not subject to the Impact Assessment Act.

Where projects that are designated under the Building Canada Act are subject to impact assessment, proponents for those projects will continue to be required to provide information and go through our process, and we will continue to be required to do an impact assessment. The difference is that, at the end of that, conditions will be recommended as a result of our process to the minister responsible for the Building Canada Act, and then those conditions will be part of a single authorization of conditions document that would be issued for the project, which would have otherwise perhaps been a separate Fisheries Act authorization or any other permits that might be required.

Impact assessment, if it would otherwise apply to a project that is designed under that act, will continue to apply, but it will be a streamlined process and a streamlined conditions document. We will continue to have a role in conducting impact assessments.

● (1135)

Ellis Ross: Thank you.

National security is a big issue, and I haven't heard any conversation about that in relation to environmental assessments. Is there any process in terms of potential participants in environmental assessments? Are there any background checks to see whether their participation in a Canadian impact assessment is fully or partially funded or even influenced by foreign interest groups?

Patricia Brady: National security isn't a factor under the Impact Assessment Act when looking at the impacts of projects, but the Investment Canada Act's national security provisions would apply to investments in major projects. So there is a federal act that looks at national security issues for investments and who the investors are in major projects. It's obviously a separate act. When we're talking about impact assessment, we're focused on the impacts of the project and not on the investor.

Ellis Ross: Not anybody asking to participate in an environmental assessment.... There is no background check to see if these participants are funded by foreign interests or influenced by foreign interests when they're actually trying to engage in an environmental assessment that will affect Canada's future.

Patricia Brady: It is a public process. Members of the public, interest groups, indigenous groups, obviously, and community members are invited to provide public input into the public process. All of that is factored into consideration—

Ellis Ross: I understand that. My question is whether there are any background checks to see if participants are actually being influenced or funded by foreign interest groups.

Patricia Brady: We don't do background checks. We often get thousands of comments on the public record, submitted through our website with respect to projects. We don't do background checks in that regard. We do vet comments, of course, for appropriateness before they are posted online.

Ellis Ross: Okay.

Does the current Canadian environmental assessment allow for non-federal or non-provincial governmental environmental assessments to be legally recognized, similar to B.C.'s Environmental Assessment Act?

The Chair: The time is up. Give a very short response, please.

Patricia Brady: The short answer is yes.

Ellis Ross: Thank you.

The Chair: We will go to Mr. Grant.

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

You mentioned the co-operation agreement that was signed with New Brunswick. I was lucky enough to meet with the delegation from New Brunswick two days ago, and I recognize that they did sign that.

As a member from British Columbia, I know that it brings certainty to businesses in my province. I just wanted to ask if you could expand on how IAAC works with and collaborates with provinces on impact assessments and collaboration.

Éric Landry (Vice-President, Operations, Impact Assessment Agency of Canada): I'll take this one.

We have a memorandum of understanding with the Province of British Columbia. It sets the framework and defines how we collaborate with the province. The agreement sets a framework for substitutions—essentially, how substitutions work. The provincial minister will make a request for the project to be substituted to the provincial process. Essentially, the provincial process will meet the needs of both the federal government and the provincial government. It is a single process to meet the needs of both governments.

My team in the region will work closely with the B.C. environmental agency office, and we will support them through that process. We will support indigenous consultation through that process. We also offer participant funding for that process. Essentially, the province manages that process, and we're there to support them. It leads to an efficient process. It's one process, one review. Once the province has completed its review, it will submit a report to provincial ministers—typically, there are two ministers in B.C. who will make the decision—and to the federal minister of the environment for their decision.

There's a good track record of substitutions. The vast majority of our projects are substituted to the province. There are two recent examples under the Impact Assessment Act. The Cedar LNG project was approved in about three and a half years. More recently, the Ksi Lisims LNG project was approved on September 15. That was just over four years.

• (1140)

Wade Grant: You mentioned consultation with indigenous groups as well, and I just wanted to expand on that. How does IAAC engage and consult with indigenous communities as part of the impact assessment process?

Ian Ketcheson: Our overwhelming priority in conducting an impact assessment on the indigenous consultation side is to ensure the full, active participation of indigenous groups that are potentially affected, so that they have a leadership role in the assessment itself. This means that we have dedicated teams across the country that will work closely with the communities to make sure that we're working with them in a way that works for their governance and the way they make decisions and build consensus within communities. At every step of the way, we ensure that we are working hand in hand with our indigenous partners to make sure that we can truly understand and communicate to decision-makers the range of potential impacts and ensure that those messages and concerns are carried all the way through.

We work with more than 300 communities across the country. We have teams across the country that spend a lot of time working with those partners to make sure their voices are heard and prioritized in the process.

Wade Grant: I don't want to leave out our water folks over here. I want to make sure that I ask them a few questions.

I live on the mouth of the Fraser River, where the fresh water meets the salt water of the Pacific Ocean. Fresh water is important for the salmon that run by. How is the agency coordinating at all levels of government, territories and indigenous communities to engage in shared water management?

Gemma Boag: We are focused on collaborating at the federal level. Within the federal level, there are over 20 departments and agencies that touch on fresh water in some way. As I mentioned in my opening remarks, the agency chairs an interdepartmental committee to bring together those departments to advance strategic approaches to working on freshwater issues. We also work closely with provinces and territories in terms of implementing freshwater ecosystem initiatives. We also work jointly with those governments on water boards, for example the Prairie Provinces Water Board and the Mackenzie River Basin Board. We work closely with indigenous partners in those venues and also on various initiatives that the agency is undertaking. For example, in the development of a freshwater data strategy, we engage with indigenous partners directly.

Importantly, we also work with stakeholders and with the public on initiatives. A current example of that is that we're holding round tables on water issues around the country, whether that be water in the economy or water in collaboration with different jurisdictions, where we bring together experts and stakeholders to discuss issues. That's a bit of our convening role. That's a bit of a high level, but we can give more examples.

The Chair: We have time for one short question and one short answer.

Wade Grant: What investments are being made to address climate-driven challenges, such as flooding and droughts?

Gemma Boag: In terms of flooding and droughts, the majority of the agency's programs work on water quality issues. Some of those interventions—the programs my colleague runs—help improve resilience to flood and drought impacts in watersheds. There are other programs in the federal government that look at flood and drought issues as well.

Recognizing the time, I'll stop there.

[*Translation*]

The Chair: Thank you, Mr. Grant.

I now give the floor to Mr. Bonin for six minutes.

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

I'd like to thank the witnesses for being with us today. I also want to thank them for their presentations.

We're talking about fast-tracking projects by reducing wait times from five to two years. You've suggested ways to do that. If it's so easy, why weren't the timelines shortened earlier?

Patricia Brady: I'll start by saying that timelines were set out in the legislation. The idea was to set maximum deadlines.

When the Impact Assessment Act came into force in 2019, we followed that directive. Now we're following another one, which is to set two-year deadlines.

I also want to clarify something. There are a lot of misperceptions or misconceptions about the timelines of our work.

• (1145)

[*English*]

For assessments that have gone through the comprehensive process, Éric mentioned timelines of around four years. We have actually completed 20 assessments in and around six months. The way the process works is that there is an initial assessment period, after which we may determine, after consultation, that there isn't a need for a comprehensive assessment. If you look at the average timeline of initial assessments and comprehensive assessments, it's around 10 months. With that, the timelines are not as far off as we might think.

Again, there are ways to improve our processes through experience and finding efficiencies. There are new tools available now that weren't available when we began implementing the act, and we're going to use those flexibilities to meet the two-year timelines.

[*Translation*]

Patrick Bonin: Thank you.

Earlier, you mentioned that a project included in Bill C-5 would be subject to an impact assessment if it were considered a designated project.

As I understand it, the Impact Assessment Act is provided for in Bill C-5. The major projects office or the government can decide not to conduct an impact assessment for a project that is designated.

Did I understand correctly?

[*English*]

Patricia Brady: Under the Building Canada Act, if a designated project under that act is also a designated project under the Impact Assessment Act—which will not necessarily be the case—an impact assessment will be required of that project.

I think there was mention of five projects that were announced. First of all, those projects were referred to the major projects office. They haven't yet gone through the process to be formally listed or scheduled under the Building Canada Act. Three of those projects have already completed assessments, so they won't require any further assessment by us, because those have already completed assessments, and the other two projects are not subject to the Impact Assessment Act, so we won't interact with them under the new act.

[*Translation*]

Patrick Bonin: We asked that the Montreal airport expansion project, which includes a new jetty, be subject to an environmental assessment. The Minister of Environment replied that it was not possible to designate the project for that purpose, pursuant to paragraph 9(7)(b) of the Impact Assessment Act, because funds had been allocated, in this case by the Canada Infrastructure Bank.

As I understand it, if the federal government invests money in a project, it automatically can't be designated by the minister to undergo an environmental assessment.

Can you explain that to me?

Éric Landry: That's right. There are limits to the minister's discretion for designating a project that is not on our project list.

Subsection 9(7) contains two subcomponents that limit her power in the following cases: when another federal department has granted a permit or authorization enabling the project in question to proceed, and when a federal agency has granted funds and those funds have been disbursed. The latter applied in the case of the Montreal airport.

When my team receives an application for designation, we first check to see if the project is on the project list. If so, it is already designated, so there is no need for the minister to exercise her discretion. Otherwise, before triggering the formal process of applying for designation, we check whether any of the restrictions set out in subsection 9(7) apply to the project in question, which was the case for the Montreal airport project.

If memory serves, we received over 75 applications for designation, and in at least 15 cases, a restriction applied and the minister could not exercise her discretion.

• (1150)

The Chair: Mr. Bonin, you have time for a brief question and a brief answer.

Patrick Bonin: Okay.

I'm going to put my question to the representatives of the Canada Water Agency.

First of all, thank you for being with us.

We recently learned that 97% of the PFAS, aka forever chemicals, in the river come from the Great Lakes in Ontario. We all know that these substances are highly problematic.

Do you have any information on what's being done to address this issue?

The Chair: I'm sorry, but the time is up.

Véronique Hiriart-Baer (Director General, Freshwater Management, Canada Water Agency): Okay.

We'll get back to you in writing.

[*English*]

The Chair: Thank you very much.

Now we will go to Mrs. Anstey for five minutes, please.

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

Thank you to the witnesses for being here today. Some of the information is helpful. I just want some clarity on a couple of things.

The Prime Minister was recently in my province, Newfoundland and Labrador, and after he left there were all kinds of news reports about the Bay du Nord project being on the major projects list.

I'm wondering if they are there. Are they listed?

Patricia Brady: There currently aren't any projects formally listed under the Building Canada Act.

There was an announcement of the first five projects that were being referred to the new major projects office. Bay du Nord is not one of those five projects. There was an announcement of five projects that would be referred to the office. It will be for the office to determine whether or not those are designated or whether there are other services that those projects will benefit from. There were also three broader strategies that are not in the project level phase but were being referred to the office as well.

I can go through those that were in the public announcement: the Contrecoeur Port of Montreal expansion, the Darlington nuclear project in Ontario, LNG Canada phase 2, the McIlvanna Bay mine in Saskatchewan, and the Red Chris mine in B.C. The broader strategies the office will consider are the Port of Churchill, the Alto high-speed rail project, and, in the east, Wind West.

Carol Anstey: I'm sorry. I probably should have clarified: I'm wondering if they're being considered. Have they come up in conversation? There was a lot of publicity around it afterwards. After he met with people in the sector, at least a couple of news reports came out that said they were being considered. Do you have any awareness that they're being considered?

Patricia Brady: I am just aware of what has been publicly announced. The major projects office would be better placed to answer those questions. The ones that have been publicly announced for consideration are the ones I listed.

Carol Anstey: Thank you.

You talked a little bit about the misinformation or the misunderstanding around the timelines for environmental assessment, but the major projects office had to be created. I'm wondering about the streamlining process. What was broken within the system in order for this new process to have to move forward?

Patricia Brady: The Building Canada Act doesn't just deal with impact assessment. I think there are 19 pieces of legislation listed in the schedule that it deals with. The objectives are to provide more upfront certainty on the outcomes, so that the initial authorization of the project—sort of pre-approved, subject to conditions—will be issued in a single document, as opposed to multiple, which is currently the case. Currently, there is an impact assessment decision, but we're just one part of the regulatory process. As I mentioned at the outset, it doesn't apply to very many projects. There are Fisheries Act authorizations, Species at Risk Act authorizations, mining effluent regulations and a number of federal permits.

The objective of the act is to streamline all of those permits into one process, which is supposed to happen within two years, and a single decision document. It's also to provide investors with upfront certainty on the outcomes of those processes. The other requirements of these acts will still apply to those projects.

• (1155)

Carol Anstey: Okay.

At our last meeting, we talked about the oil and emissions cap. I'm wondering how that interacts with the environmental assessment for the projects that do make their way onto the list. Are they still subject to the cap? How does that work?

Patricia Brady: A project being subject to an impact assessment under our act wouldn't have any implications for our obligations under the cap.

Carol Anstey: Okay.

Patricia Brady: An impact assessment could look at emissions related to projects and understand what the emissions would be. There is no federal jurisdiction under our act to impose conditions in relation to emissions, but they could be assessed.

Carol Anstey: When you're talking about timelines and fast-tracking projects, do you ever measure or study the financial impacts of the delays on the projects that move forward? We hear from a lot of proponents that time is money within their business. In light of where we are as a country, I'm just curious to know whether that is ever considered in terms of the timelines you're reaching for.

The Chair: I'm sorry. The time is up.

Perhaps you can provide us with a written response to that or else answer it in later questions from members. I'm sorry about that.

Thank you.

[Translation]

I now give the floor to Mr. St-Pierre for five minutes.

Éric St-Pierre (Honoré-Mercier, Lib.): Thank you for being with us today.

As you know, Bill C-5 received royal assent in June 2025.

First, Ms. Hiriart-Baer and Ms. Brady, can you comment on the impact that the bill has had on your respective agencies?

What is the specific relationship between your respective agencies and the Major Projects Office?

Patricia Brady: The Impact Assessment Agency of Canada is still being set up.

[English]

The new office has announced a CEO, Dawn Farrell. It's still in the process of staffing up, first of all, but certainly for those projects that are subject to our act and that are listed under the new act, we will have to be working very closely with the major projects office to support the development of those conditions documents within two years. The internal governance processes under which we'll work will be established once the office is fully set up, but we'll certainly be working closely with them and supporting their work.

[Translation]

Éric St-Pierre: Then it's a work in progress. We will have to wait and see.

Ms. Brady, you mentioned the Contrecoeur expansion project. As a member from Quebec, I'm curious to know more. My colleague's riding is not too far from Contrecoeur either.

Can you comment on the assessment of the Contrecoeur project, if it's not too early to talk about it?

Has a timeline already been set for the project?

Éric Landry: By way of background, the Contrecoeur expansion project underwent an environmental assessment, and the role of the Impact Assessment Agency of Canada ended after that. The permits are issued by the agencies responsible for regulating the project.

In terms of timelines, the Major Projects Office would be in a better position to answer your question. Our role ended when the project was approved.

Éric St-Pierre: I'd like you to tell us about your working relationship with the Canada Energy Regulator.

Could you give us more background and briefly explain the relationship between your agency and the Canada Energy Regulator?

Éric Landry: There is a memorandum of understanding that defines how we work with the Canada Energy Regulator. There are no projects currently under assessment for which the legislation governing our agency and the CER applies.

Our president and his counterpart meet a few times a year for an informal dialogue. We are currently in discussions with our counterparts to prepare for potential major projects related to the legislation governing our agency and the CER. In that case, an integrated assessment would be required to meet the requirements of our respective laws.

We are laying the groundwork for potential projects, but at the moment, there are none in the pipeline.

• (1200)

Éric St-Pierre: I have only a minute and a half left. I'm going to switch very quickly, then, to the Canada Water Agency.

I represent the riding of Honoré—Mercier. It borders the Rivière des Prairies, which flows into the St. Lawrence River. My colleague's riding is also on the St. Lawrence.

Generally speaking, can you tell us how important the Rivière des Prairies or the St. Lawrence River is to your agency?

Do you currently have any challenges regarding the St. Lawrence River?

Véronique Hiriart-Baer: Thank you for the question.

We have established eight freshwater ecosystem initiatives, and one of them concerns the St. Lawrence River. Others concern, for example, the Fraser River and the body of water located east of the Saint John River.

Since 1988, we have been working with Quebec to protect the St. Lawrence ecosystem under the Canada-Quebec Agreement on the St. Lawrence, which resulted in the St. Lawrence action plan.

This is a successful working relationship, currently in its final phase. It covers the years 2011-26, and its objective is to improve the water quality of the St. Lawrence, conserve its biodiversity and ensure it can be sustainably used.

This is a body of water that is really important to us and has major economic significance, as I'm sure you know. We are currently in negotiations to renew the agreement for the years 2026-36.

The Chair: Thank you, Ms. Hiriart-Baer and Mr. St-Pierre.

I now give the floor to Mr. Bonin for two and a half minutes.

Patrick Bonin: Thank you, Mr. Chair.

I'm going to continue the discussion on the same topic.

I received letters and met with people from the priority intervention zone, or ZIP, committees, which you are very familiar with. They were extremely concerned to see that their funding would not be renewed. I was told that they would no longer have funding as of 2026 and would have to turn to Canada Water Agency programs.

Can you confirm that no renewals have been formalized?

The ZIP committees are worried about their future. Does that concern you, given the importance of their work?

Véronique Hiriart-Baer: Yes, in 2026, the ZIP program, developed under the Canada-Quebec Agreement on the St. Lawrence, will go in a different direction.

When we created the ZIP committees, the regional round tables did not yet exist. They are now established in most of the regions where the ZIP committees have been set up.

However, the respective mandates of the regional round tables and the ZIP committees overlap. Ending the direct subsidy of ZIP committees under the agreement avoids any overlap.

That doesn't mean that the ZIP committees won't be able to continue fulfilling their mandate. For example, the Lac Saint-Pierre ZIP committee will continue its work. Our contribution is only one of many that enable these committees to do their work.

Patrick Bonin: You're saying that the federal government will have no money next year to contribute to the basic operations of the ZIP committees.

What was the total amount of the envelope for the ZIP committees?

Véronique Hiriart-Baer: The total amount of the envelope was about \$1 million. Each ZIP committee received approximately \$75,000 a year.

Patrick Bonin: As far as I know, the regional round tables are not funded by the federal government. They are funded only by the province.

Is that correct?

Véronique Hiriart-Baer: Yes, it is a provincial responsibility. For example, the Province of Quebec provides funding to support regional round tables and develop priorities.

The Chair: You have time for one last question, Mr. Bonin.

Patrick Bonin: You say there is no federal money for regional round tables.

What you're telling me is that the ZIP committees don't do anything more than what the regional round tables do. However, in my opinion, they are not the same thing.

• (1205)

The Chair: Ms. Hiriart-Baer, please be brief.

Véronique Hiriart-Baer: I will follow up in writing on the difference between the ZIP committees and the regional round tables.

What I can tell you is that the ZIP committees will be able to make applications through the Canada Water Agency.

The Chair: Thank you.

[English]

Next is Mr. Bexte for five minutes. Thank you.

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

I appreciate your time today. Thank you, witnesses, for coming.

Related to Bill C-5, and now that the major projects office has been announced, I wonder what your agency is doing to ensure that there's not going to be duplication of effort among provincial agencies and assessments that have already taken place, or potential future assessments.

Patricia Brady: Between provinces and the federal government, one of our priorities right now is working on co-operation agreements with the provinces to implement a "one project, one review" approach, which means that a project would be subject to both a federal and a provincial act. From a proponent's perspective, and from the perspective of indigenous groups that we consult, we'll have one process that will apply.

David Bexte: Are you working on that and developing the rules?

Patricia Brady: We currently have a co-operation agreement in place with British Columbia—

David Bexte: That's right, but not with the rest of Canada.

Patricia Brady: We now have a draft agreement with New Brunswick, so we'll begin implementing.... The federal government committed to be ready to strike these agreements within six months from the Speech from the Throne, so we are hopeful. By the end of fall, in the coming weeks, is when we've said the federal side would be ready to start implementing them, and federal—

David Bexte: Are you going to be ready to start implementing them by that deadline?

Patricia Brady: With interested provinces, absolutely.

David Bexte: Are there provinces that aren't interested?

Patricia Brady: There are provinces that are more advanced in the discussions than others.

David Bexte: Do you anticipate some provinces won't be ready?

Patricia Brady: Interested or ready on different timelines, potentially—

David Bexte: But they won't make the deadline.

Patricia Brady: I should say that even absent an agreement, we have the flexibility in our act to rely on what provinces are doing in their assessments and to take those as equivalent, by default, within ours.

It would be better under a co-operation agreement, where the rules are clearer and the full suite of tools in the Impact Assessment Act can be used to defer to provinces, but even absent an agreement with another province, we will be able—and we have already started—to rely on what provinces are doing and take those as equivalent in our assessments.

David Bexte: Yes, as a partial...and just taking it into your assessment as is.

Patricia Brady: That's right. We've reduced our information requirements significantly by doing that, so that's one of the key ways we'll find efficiencies.

David Bexte: I'm going to move fast, because time is limited.

How do you anticipate resolving conflicts among provinces that come to a different conclusion?

Patricia Brady: It's happened maybe once in the history of impact assessment and environmental assessment, so it's a very unlikely outcome.

David Bexte: Do you anticipate it to be more or less likely in the future, considering the state of the nation?

Patricia Brady: If we're in a "one project, one review" world and we're both relying on the same information to make decisions, I think it should be highly unlikely that there would be different outcomes.

David Bexte: I would hope, but...

Patricia Brady: As well, I would mention that the federal decision, as a result of the Supreme Court decision and amendments that were made in 2024 to our act, is very narrowly focused on the federal effects of projects.

David Bexte: How do you square that circle, then, with federal assessment requirements, provincial assessment requirements, duplication of efforts, and delay in the timeline to approval?

Patricia Brady: Again, it's through relying on what the province is doing to meet any federal requirements. The province may also be doing it, in which case we're committed to relying on them. Some provinces prefer to rely on what the federal government is doing, so our co-operation agreements will allow for that as well.

David Bexte: I'm just trying to piece this together on the fly.

Who would be the adjudicator if there's conflict between a provincial agency or a province and...?

Éric Landry: Typically, we will work with our partners during the process. I'll use the case of B.C.—the substituted process, with one process and one assessment. My team will participate and support the B.C. EAO as part of that process. We coordinate federal

participation in that process. We use the process to identify key issues early and resolve them.

• (1210)

David Bexte: With all due respect, there's a hierarchy. There needs to be a hierarchy. Who is above?

Éric Landry: Yes. Ultimately, through that process, the provincial ministries will make their own decision, and the federal minister will make their own decision.

David Bexte: It goes back to the minister.

Éric Landry: Yes, it does for predecision.

David Bexte: That's the short answer.

The Chair: Thank you very much. The time is up. I'm sorry about that.

Next, we will go to Mrs. Miedema.

Shannon Miedema (Halifax, Lib.): Thank you very much for your presentations.

I am representing Halifax. That's my riding.

I have a couple of questions for the Canada Water Agency.

You mentioned those really big, strategic projects that you're focused on, of which there are maybe eight. Do they go further east than New Brunswick? In the Halifax regional municipality, there are over 1,000 lakes. Most of them are highly stressed urban lakes. I'm wondering how you decide on those strategic initiatives.

Véronique Hiriart-Baer: Thank you for the question.

The furthest east in our ecosystem initiative is the Wolastoq/Saint John River, which starts in Quebec and goes into New Brunswick.

In terms of support to address freshwater challenges further east or outside of our eight freshwater ecosystem initiatives, we do have the EcoAction program, which supports community-led projects to address local challenges that communities might be facing with their waters. EcoAction also supports innovation and sustainability projects that may have broader applications.

Shannon Miedema: Thanks.

How well funded is this EcoAction program? How do you allocate dollars across the country? Is it a granting role that you play in that?

Véronique Hiriart-Baer: The EcoAction program has been around for a very long time. It has sustained funding. It goes through a competitive call for applications process where we often receive hundreds of applications from across Canada. We go through a rigorous review process and then look at the different allocations for different projects across the country.

Shannon Miedema: Thank you.

Are municipal governments eligible for this EcoAction funding?

I was formerly the director of environment and climate change for the municipality of Halifax. A lot fell to us locally in terms of monitoring blue-green algae and addressing it in a lot of our stressed urban lakes with high bacteria counts. We did all of the testing for all of our lifeguard-supervised beaches. The Province of Nova Scotia was largely absent from all of that work. It all came at a cost to the local taxpayer.

I'm wondering if there's support for local-level governments, which are actually doing a lot of this work across Canada.

Véronique Hiriart-Baer: Yes, municipalities are eligible for funding through the EcoAction program.

Shannon Miedema: Okay, that's perfect.

I will move on to impact assessment. I used to actually study this. I was always really interested in cumulative effects and how they are treated. I've been out of touch with the federal work for a while.

Could you speak for a bit on how you manage cumulative effects and whether that thinking has evolved? I know there was a lot of work being done back when I was a student. How will cumulative effects be considered in these "one project, one review" scenarios with these fast-tracked nation-building projects? Thank you.

Éric Landry: Under the act, we have the ability to conduct regional assessments. That is a major tool that we've started using to gather data and address cumulative effects, because when we're doing individual project assessments, it is more of a challenge to look at cumulative effects. The idea behind regional assessments is that you get there before you start individual project assessments. You get the lay of the land, and then you assess the potential impacts of past, current and potential future development.

We've used that tool on multiple occasions. We did an offshore exploratory well regional assessment in Newfoundland. We recently finalized two offshore wind regional assessments, one in Nova Scotia and one in Newfoundland. As well, we have one that is ongoing in the Ring of Fire regional assessment area in Ontario, and we are about to provide the minister with the terms of reference for a St. Lawrence regional assessment for her approval.

The idea here is that you take a holistic view and, through the regional assessment, you're able to then develop conditions that would apply to future projects. The idea with the regional assessment is that it will make future individual project assessments more—

• (1215)

The Chair: Thank you, Mr. Landry.

I have a proposition for the committee. As time stands, we're supposed to end in five minutes or so, with only one member speaking. Would it be the will of the committee to have all members given more time to speak? That would be three minutes to the Conservatives and the Liberals, and two minutes to the Bloc for the last round, or it would be one Conservative member for five minutes.

Ellis Ross: I like the latter.

Some hon. members: Oh, oh!

[*Translation*]

Patrick Bonin: It should be five minutes.

The Chair: There are five minutes left.

In principle, a member of the Conservative Party will have the floor for five minutes.

To give all parties a chance to ask one or two final questions of the witnesses, I propose that we divide those five minutes so that the Conservatives and Liberals have three minutes each and the Bloc Québécois two minutes.

Is it the will of the committee to do that?

Patrick Bonin: Personally, I prefer that we stick to five minutes to keep it as short as possible.

The Chair: Good.

[*English*]

We have five minutes left.

Bruce Fanjoy (Carleton, Lib.): I have a point of order.

I haven't had an opportunity to speak.

The Chair: I'm sorry. We have five minutes left, and the next party to speak is the Conservative Party. From what I hear, there's no consent to break up the five minutes, so I will proceed to Mr. Leslie.

You have exactly five minutes.

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

I would like to start with the IAA.

You outlined that the process seems to be working incredibly well; the efficiencies that have been gained are seemingly quite staggering. Given that this all sounds so great, can you explain to me why the government would feel the need to pass Bill C-5, enact the Building Canada Act and create the major projects office at all?

Patricia Brady: What the Building Canada Act does is not just related to impact assessment. As I mentioned, the Impact Assessment Act is just one part of the regulatory framework that applies to major projects. As I understand it, the objective of the act is to provide that upfront certainty to investors on the outcomes of the process and to streamline multiple processes, of which the Impact Assessment Act is only one and not necessarily always implicated in a project that might be listed under the Building Canada Act.

It would be to streamline those multiple requirements into one decision and one conditions document in a two-year process.

Branden Leslie: You mentioned that in terms of the proponent, if there was an agreement with the province, it would seem to them as if there is only one process. Can you confirm that the province is still doing its own process and environmental assessment, as is the Impact Assessment Agency? There are still two processes going on. You may lend one information from the other, but at the end of the day, is this actually going to shorten any approval processes?

Patricia Brady: Under the new tools that were put into the act in 2024 amendments and that we are working to enable through the co-operation agreements we're working on now, it would allow for one process. There is already a tool in the act for that substitution—we use that with B.C.—where the federal minister can decide that another province's regime can be completely substituted for the federal one. With B.C., we do that.

Previously—

• (1220)

Branden Leslie: Right now, there are still going to be two processes happening. I just don't understand how adding a second bureaucracy is going to enhance the streamlined nature of this process.

Patricia Brady: Under the co-operation agreements, it will be one process, one review. That might look different depending on the project. There are a number of ways to enable one process, but the act now allows for the provincial process to completely lead and apply, and it also allows for a harmonized process, which is truly one process. Between the two of us, we're figuring out who does what.

From a proponent perspective, it's one process.

Branden Leslie: Okay. Thank you.

I'm curious. I looked through the inventory of projects. It seems that since the inception, in 2019, there have been only three projects approved. You said that there was an average of eight going through, applied for by proponents. In six years, we've had three projects approved.

Could you provide this committee with a series of stats on a year-by-year basis of how many project proponents have moved forward with projects, how many have been accepted, how many have been rejected and the average time of each, delineated by the type of project it is, when you get a chance?

Patricia Brady: For that kind of detailed information and volume of stats, we would need to come back in writing, but I can't say—

Branden Leslie: That's great. Thank you.

I'd like to go on to the Canada Water Agency.

I noted that an article came out regarding some confusion, politically, about cuts, in which there was a reporter added to a group

chat of environment minister staffers. At that time, the president of the Canada Water Agency was unable to provide a comment about his concerns, if any, regarding a cut to the Canada Water Agency, although the political implications were made clear via those text messages between political staffers.

I'm wondering, since it's been a month, has the Canada Water Agency formed a position on what the impact of cuts to the agency might mean for fresh water in Canada?

Justyna Frobisher (Acting Director General, Corporate Services Directorate, Canada Water Agency): Thank you for the question.

The Canada Water Agency was in scope for the comprehensive expenditure review initiative that was undertaken by the Government of Canada. As part of that process, there were discussions with the minister's office and internally within the Canada Water Agency executives. We did successfully submit savings proposals in response to this initiative. The content of those proposals is under cabinet confidence, and therefore I cannot speak to the content, but I can say that we were in scope for the process.

Branden Leslie: Thank you.

I'd like to jump back to the Impact Assessment Agency.

It looks as though your staffing has ballooned 33% in the past three years. Does this hiring spree have any evidence of increasing the pace of approvals and/or rejections?

Patricia Brady: I'm sorry. I don't have information on the correlation between timelines and staffing volumes at the Impact Assessment Agency. Our budget was renewed in 2022—

The Chair: Thank you.

Branden Leslie: It looks like it was up 47% in 2022.

The Chair: Your time is up. Thank you.

[*Translation*]

That concludes question period.

I would like to thank the witnesses from both agencies for being here this morning to answer our questions. I wish them a great day and a great weekend.

The meeting is suspended.

[*Proceedings continue in camera*]

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :
<https://www.noscommunes.ca>