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Co-Chairs: Dean AllisonPatti LaBoucane-Benson



# Special Joint Committee on the Exercise of Powers Under the Building Canada Act

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• (1835)

[English]

**The Joint Chair (Dean Allison (Niagara West, CPC)):** Welcome to meeting number five of the Special Joint Committee on the Exercise of Powers Under the Building Canada Act.

Pursuant to the motion adopted on Tuesday, May 5, the committee is meeting to continue its review of the Governor in Council's and minister's exercise of powers and the performance of their duties and functions under the Building Canada Act.

Today's meeting is taking place in a hybrid format.

I would like to remind participants of the following points. I don't need to tell our witnesses on Zoom anything, because they're seasoned experts when it comes to Zoom. Just remember that before speaking, please wait to be recognized.

Before we get started, we have a draft routine motion about trying to keep our timing consistent. The suggestion is that we go with five minutes for everybody, and then if we end up with everyone speaking and multiple witnesses, as chairs we'll talk about trying to reduce the time to a fair and appropriate amount. We don't have a full meeting tonight, meaning three hours, so everyone should be able to get five minutes in, but if we had 17 witnesses and three hours, we would probably need to shorten that up.

The draft routine motion goes like this:

That, notwithstanding the motion adopted on Tuesday, April 14, 2026, regarding the length of time and order of questioning, for the first round of questions, each member of the committee be allocated five minutes, in an order determined by the joint chairs; and that the joint chairs be empowered to exercise discretion to adjust the time allocated to committee members, as necessary, in order to permit witnesses to deliver opening statements of up to five minutes and to ensure that the meeting proceeds within the allotted time.

Is everyone okay with that motion?

**Some hon. members:** Agreed.

**The Chair:** That's great.

I would like to welcome our witnesses now. From the Major Projects Office—

[Translation]

**Patrick Bonin (Repentigny, BQ):** Excuse me, Mr. Chair. Did you just proceed to the vote on the motion?

[English]

**The Joint Chair (Dean Allison):** I'm sorry. Say that one more time.

[Translation]

**Patrick Bonin:** Did you just proceed to the vote on the motion?

[English]

**The Joint Chair (Dean Allison):** My question is, are there any objections at all?

[Translation]

**Patrick Bonin:** I would like to say that I'm voting against the motion.

[English]

**The Joint Chair (Dean Allison):** Okay. You're voting against.

Is everyone else in favour?

(Motion agreed to on division)

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

I'd like to welcome our witnesses, from the Major Projects Office. They were here with us last week. Joining us right now, we have Peter Feldberg, vice-president of regulatory affairs, and Rob Van Walleghem, general counsel and vice-president of indigenous affairs.

I will invite you, Mr. Feldberg, to make an opening statement. You have five minutes.

Mr. Van Walleghem, if you also have a five-minute statement, you're welcome to go as well.

**Peter Feldberg (Vice-President, Regulatory Affairs, Major Projects Office):** Good evening, co-chairs and members of the committee. Thank you for giving me the opportunity to speak about what the Major Projects Office is doing to advance projects across the country. Tonight, I'm joining you in my capacity as vice-president of regulatory affairs to speak about streamlining the regulatory system to get major projects built faster.

A key function of the MPO is ensuring a robust regulatory framework that enables projects to advance in a timely and predictable manner. Our role is ensuring that regulatory and policy barriers are addressed to improve project certainty and bankability for investors.

The regulatory group works to do this through two functions. One is that it works with proponents and regulators on MPO projects to unstuck issues as they arise, assesses projects for designation and designs and implements permitting plans for execution. The other is equally important. It identifies areas where efficiencies can be improved for all projects, not just those referred to the MPO, through better streamlining of practices or through regulatory or legislative change.

Speed is of the essence to de-risk projects and increase investments in major projects in Canada. The Building Canada Act, which received royal assent last June, is one important tool to meet this objective. Designation under the act triggers a streamlined federal regulatory process designed to accelerate approval timelines that remain informed by environmental reviews and consultations with indigenous peoples and relevant partners. The legislation allows the Government of Canada to list a major project in the national interest and provide conditions for how those projects would proceed, based on consultation with provinces, territories, relevant federal ministers and indigenous peoples.

The Building Canada Act provides a streamlining function through three key principles. The first is an early approval process, through the listing decision, that shifts the focus from whether a project will get built to how it will be built. This provides investors with the certainty of a decision in a matter of months, rather than years, that their project will proceed. This is particularly important for those seeking to settle their financing or make the necessary arrangements for long-term items in the supply chain. The second principle is co-operation among regulators, which, together with the third principle, a single decision-maker, ensures that necessary approvals are obtained in a streamlined way and that project conditions can be rationalized and consolidated so that the environment can be protected without undue cost or delay to a project.

The MPO assesses projects and provides advice to federal ministers based on the five factors set out in the Building Canada Act, which include contribution to Canada's resilience, autonomy and security; economic benefits; advancement of indigenous interests; support for clean growth and Canada's climate objectives; and likelihood of successful execution. These factors are not exclusive, and neither is the satisfaction of all the factors necessary for the determination of whether a project is in the national interest.

The MPO recognizes the benefit of streamlining project approvals beyond just the projects that are referred to the MPO or designated under the act. By streamlining approvals and committing to a two-year timeline for major project decisions, we will create a more efficient and predictable environment to give investors and project proponents the certainty to invest and build in Canada.

Thank you again, Mr. Chair and members of the committee. I am happy to answer any questions you may have.

• (1840)

**The Joint Chair (Dean Allison):** Thank you very much.

We'll now turn it over to Mr. Van Walleghem.

**Rob Van Walleghem (General Counsel and Vice-President, Indigenous Affairs, Major Projects Office):** Good evening, chairs and members of the committee. I'm grateful for the opportu-

nity to highlight the meaningful work under way to support major projects across Canada.

I'm joining you tonight in my capacity as vice-president of indigenous affairs at the Major Projects Office to speak about advancing reconciliation while enabling indigenous participation in major projects.

Both Peter and I wish we could be with you tonight, but we're joining you from Treaty No. 7 lands, the traditional and ancestral home of the Blackfoot Confederacy, namely the Piikani, Kainai and Siksika, as well as the Tsuut'ina and Stoney Nakoda first nations. Southern Alberta is also home to the Otipemisiwak Métis Government, districts 5 and 6.

As discussed at this committee last week, the MPO was established to advance nation-building projects in Canada. The projects that we're working on will connect our economy and diversify our industries and trade opportunities, while protecting the environment and advancing the interests of indigenous peoples.

On this point, I want to state that the MPO's mandate includes a firm commitment to advancing reconciliation and respecting indigenous rights. We work in partnership with first nations, Inuit, Métis, and modern treaty and self-governing peoples whose rights and interests could be potentially impacted by a proposed project of national interest. We also work closely with indigenous communities on referred projects to understand their interests and concerns.

I want to emphasize that major projects designated as being in the national interest will only go forward after meaningful consultation with impacted indigenous communities. This consultation is embedded in the Building Canada Act and is required and protected by the Canadian Constitution. More than that, it's the right thing to do. This is about ensuring that projects advance the interests of indigenous peoples.

In alignment with our focus on facilitating meaningful consultation, I want to highlight that \$40 million has been set aside in capacity funding to support the participation of indigenous peoples in project-specific consultation processes. In addition to the legislative framework established in the Building Canada Act, the government has established the indigenous advisory council, which comprises 11 individuals from first nation, Inuit, Métis and modern treaty and self-governing communities, to inform MPO's work. The advisory council provides expert advice on policy, operational practices and process improvements. The indigenous advisory council has met 11 times since it was established in September 2025, most recently at the end of April.

To clarify, the council does not hold decision-making authority regarding projects referred to the MPO or projects under the Building Canada Act, nor does it fulfill or replace the obligations of the Crown, including the Crown's duty to consult and accommodate. Members of the council provide advice and guidance as individuals. They do not provide advice on behalf of indigenous governments, organizations or rights holders. Nevertheless, the council will continue to shape how the MPO works with indigenous peoples to advance economic participation in major projects, including by ensuring that indigenous peoples derive benefits from major projects.

At the MPO, we expect proponents to demonstrate how they are meaningfully engaging and partnering with indigenous communities. This means taking the time to understand the distinct rights, interests and priorities of indigenous communities, and reflecting that understanding in how projects are designed and advanced. It is not enough for proponents to engage late in the process. We're looking for evidence of a clear commitment to building partnerships with impacted indigenous communities, including through equity ownership and other economic opportunities.

I'm pleased to report that many of the projects referred to the MPO to date have significant benefits for indigenous peoples. Some projects are also led by indigenous proponents. For instance, the Iqaluit Nukkiqsautiit hydro project in Nunavut is led by Nunavut Nukkiqsautiit Corporation, a wholly Inuit-owned developer.

Ksi Lisims LNG in B.C. is a partnership that includes the Nisga'a Nation. It will become Canada's second-largest LNG facility and one of the world's lowest-emission LNG operations once fully electrified, with emissions 94% below the global average.

Projects referred to the MPO will also support the development of new infrastructure in northern and remote communities, which will benefit indigenous communities. For example, the north coast transmission line will deliver low-cost, clean electricity to communities along the west coast, including indigenous communities.

Thank you, again, Mr. Chair, Madam Chair and members of the committee. I look forward to our discussion.

• (1845)

**The Joint Chair (Dean Allison):** Thank you very much, Mr. Van Wallegghem.

We're going to start with our first questioner, Mr. Gunn.

You have five minutes, sir.

**Aaron Gunn (North Island—Powell River, CPC):** Thank you, Chair.

Mr. Feldberg, when does the MPO expect the first project to receive the national interest designation?

**Peter Feldberg:** I can't tell you specifically what that date will be, Mr. Gunn. I can tell you that there are projects that we are looking at from that perspective.

**Aaron Gunn:** We were told previously that, essentially, the minister makes the recommendation to cabinet after you finish providing your recommendation. Are there any projects that you've conclusively recommended to the minister to approve for a national interest designation or, alternatively, to not approve?

**Peter Feldberg:** There are projects in the works. I can't speak specifically to any specific project at this point.

**Aaron Gunn:** This past June, the Liberals pushed very hard to pass Bill C-5, the main point of which was to confer unprecedented statutory powers to build projects deemed in the national interest over some very valid concerns and reservations. What was the point, or the urgency, of that legislation if we aren't going to use it?

**Peter Feldberg:** I don't think it's for me to speak to that, Mr. Gunn. I can speak to what we do, what we analyze and how we think about things, but it's not for me to speak about the decisions made behind legislation.

**Aaron Gunn:** Okay, but to go a bit further, you believe the MPO is still obviously making progress without designating projects as being in the national interest.

**Peter Feldberg:** Definitely, Mr. Gunn, I believe that the MPO is making great progress.

**Aaron Gunn:** Do you agree as well with the minister overseeing the MPO, Minister LeBlanc, who called Canada's permitting system "incoherent"?

**Peter Feldberg:** I'm hesitating because I don't think it's accurate to say incoherent. I think it is accurate to say that Canada is a complicated place. We have provincial jurisdiction, we have federal jurisdiction and we have many statutes that require many permits. There is always room—and I can speak about this at some length—to coordinate the processes and to move them faster. Would I like to see things move faster? Yes, I think we can do that. Do I think we've made progress over the last several years? Yes, I do.

**Aaron Gunn:** The minister, as I said, referred to it as "incoherent". Maybe that's not an adjective that you would like to use, but it's clearly, from my point of view anyway, a bit of a mess, because there seems to be some consensus in Canada that we haven't been building things as fast as we should.

In the medium and long term, though, do you believe it makes sense to have a body like the MPO essentially picking and choosing certain companies to bypass this mess, this incoherent regulatory system, rather than just fixing the system itself?

**Peter Feldberg:** It's important to do both, Mr. Gunn. There are projects where there is a role, and I think we found it. There's a role for a convening agency to help coordinate and move projects faster, to unstick problems and to move them along, but I also think it is important to continually look at the regulatory system we have in Canada—provincially and federally through co-operation—and continue to improve it.

I think there's room to do both. I don't think it's either-or.

**Aaron Gunn:** I appreciate the idea of having a body that helps streamline the regulatory process, but my question for you is, do you think it makes sense for the long-term economic strategy of this country to have a body that's essentially picking winners and losers in the economy, with some that get the fast track and some that don't?

We have a system right now, so I'm assuming that you agree this is the right approach, but we have projects that are owned in part by state-owned companies from other countries—in some cases repressive dictatorial countries—getting the fast track over Canadian companies with Canadian projects that are left to languish through this regulatory quagmire that everybody else is forced to endure.

Do you believe it's right that we have a body that's getting to pick and choose who gets the special treatment?

• (1850)

**Peter Feldberg:** I don't think I'd agree with your characterization of it, Mr. Gunn. I think there is room for a body that takes on important projects and can move them through the system quickly.

**Aaron Gunn:** You are getting to pick and choose winners and losers. You, by your own admission, are saying that those that are getting referred to the MPO are getting additional benefits, and you're almost bragging about that. By extension, are companies that aren't getting chosen left holding the bag?

**Peter Feldberg:** I think we can do both, Mr. Gunn. I think we can.

**The Joint Chair (Dean Allison):** Thank you. That's all the time.

We're going to move over to Mr. Louis for five minutes, please.

**Tim Louis (Kitchener—Conestoga, Lib.):** Thank you, Mr. Chair. I appreciate that.

I want to thank Mr. Feldberg and Mr. Van Walleghem for joining us today.

At previous meetings, we heard about the “why” for the Major Projects Office. Today, it sounds like we're going to be focusing on the “how”, as in how regulatory coordination, indigenous partnership and intergovernmental co-operation can responsibly move projects forward faster, while maintaining higher standards and public confidence.

I'll start with you, Mr. Feldberg. In your opening statement, you were very clear about working with proponents and regulators—you used the term “unstick”, which is great to hear—and identifying efficiencies through streamlining. Then you mentioned principles, including early approval, which provides certainty and co-operation among regulators. What areas commonly have the most du-

plication today among, let's say, federal regulators or between federal and provincial processes?

**Peter Feldberg:** This is an area, actually, where there has been some of the most improvement. The federal government has entered into a number of co-operation agreements with provinces, which have removed much of the duplication that used to occur with environmental assessments and impact assessments. That has eliminated a lot of duplication.

The other area where you'll find duplication is when you have an impact assessment and permitting activities that have traditionally been done sequentially. You would have a proponent that would be required to provide a great deal of information up front for an environmental assessment. That process would be done, and then they'd do it again or in a bit of a different fashion for the permitting processes. We are trying to work a little more coherently, in that sense, to try to make those information requirements less duplicative and to try to get those processes working in a coordinated fashion rather than in a consecutive fashion.

There are probably other areas of duplication I could go into, but I think those are the two main ones, Mr. Louis.

**Tim Louis:** Is it safe to say that the early coordination or sequencing of reviews can shorten timelines without weakening environmental or safety standards?

This is for you, Mr. Feldberg.

**Peter Feldberg:** Yes, we can. Working concurrently rather than consecutively can achieve a faster result, with the same protection of the environment.

**Tim Louis:** Can we talk about harmonizing regulations across governments? That can also be a productive tool. What practical tools do you think can be used to harmonize the processes themselves between governments, whether those are joint assessments, MOUs or shared timelines? What can we do between governments to move the process forward more quickly?

**Peter Feldberg:** Some of that work has already been done, and I think you've alluded to it. The coordination agreements that have been entered into between the Impact Assessment Agency and the various provinces assist in that regard. Doing joint reviews between the provinces and the federal government to try to achieve one project, one review is one of the quickest ways to do this. That also combines the jurisdictional responsibilities of both to have a full review and a full outcome.

• (1855)

**Tim Louis:** In my final minute, I'll ask a couple of quicker questions, and then you can finish up.

Are you beginning to see reoccurring patterns that slow delivery? If so, how are you capturing those lessons and translating them into advice for legislators, regulators or any level of government? Do you also see that work eventually benefiting projects that could fall below the definition threshold of “major projects” by improving overall regulatory clarity?

**Peter Feldberg:** Yes. One benefit of working on projects is that our team is able to work with all of the departments to identify areas where there is slowness or duplication or where the information can be more harmonized so we can get more consistent information out to proponents to allow them to meet their requirements more easily.

**Tim Louis:** That's all my time, and I do appreciate it.

**The Joint Chair (Dean Allison):** Thank you very much.

I'll just remind the witnesses that you can mute and unmute yourself. They can't quite catch it here, so we'll go that way.

We're going to come back over to this side, with Mr. Bonin for five minutes.

[*Translation*]

**Patrick Bonin:** Thank you, Mr. Chair.

Mr. Feldberg, you spoke about protecting the environment. How can your office protect and respect the environment if legislation—such as the Canadian Environmental Protection Act—and regulations are quite literally overridden by the Building Canada Act?

[*English*]

**Peter Feldberg:** Mr. Bonin, every project we work with goes through the normal permitting processes that exist today. When we are working with a project proponent in the normal referral process, we have fisheries permits issued by the Department of Fisheries and impact assessments done by the Impact Assessment Agency. Those processes continue as they have. Our work has been simply a coordination process to move them through. The statutes and requirements are all the same.

[*Translation*]

**Patrick Bonin:** Environmental protection legislation and regulations have been withdrawn.

If you need to remove them, how can you say that you're protecting the environment?

[*English*]

**Peter Feldberg:** There are provisions in the act that will.... I guess the answer is that the proponents are required to go through the same processes that they would be required to otherwise. The acts that we apply are used in the way that the standards are set out. We haven't seen an instance to date where any environmental condition has been removed.

[*Translation*]

**Patrick Bonin:** I understand. However, you said that your role is to reduce the regulatory burden. The Building Canada Act sets out to suspend legislation and regulations.

You can't tell me that, if the government suspends legislation or regulations, it's providing the same environmental protection. If it were providing the same environmental protection, it wouldn't need to suspend the legislation or regulations, would it?

[*English*]

**Peter Feldberg:** I don't want to deal with it in the abstract, Mr. Bonin. I would prefer to see a concrete example, and as of yet, we haven't had one.

[*Translation*]

**Patrick Bonin:** I'll move on to another question.

Mr. Van Walleghem, you played a role in Trans Mountain. The pipeline was contested by indigenous people. There were cost overruns. The amount of public money invested by the government in this oil sands pipeline went from \$7 billion to \$34 billion.

How will your experience help ensure that the Major Projects Office respects the rights of the first nations and avoids project cost overruns?

● (1900)

[*English*]

**Rob Van Walleghem:** Yes, I worked at Trans Mountain, and I learned a lot while I was there.

I can tell you that with respect to indigenous concerns or protests, I believe in the right to a lawful protest. I also believe in the rule of law. I can tell you that the groups that I had to deal with were.... You probably saw along the court.... We had 129 groups that were engaged. We had 69 mutual benefit agreements with 81 communities. There was overwhelming support. We had support all along the right-of-way. Yes, not everybody agreed, but there was consent, approval and acquiescence all along the entire right-of-way. We're not here to talk about Trans Mountain, though.

The other thing I can tell you is that the MPO is not the proponent of the projects. We do the analysis to determine whether they're viable. That's important, because when you're dealing with the interests of indigenous people, especially if they're interested in economic participation and equity, the project has to be viable. We're doing that kind of work here to make sure that projects result in economic benefits to the communities.

[*Translation*]

**Patrick Bonin:** Mr. Chair, I have a point of order.

At the beginning of my turn, there wasn't any interpretation and I lost 25 seconds. I would just like to get them back. Otherwise, you'll cut me off before I've had a chance to get my 25 seconds back.

[*English*]

**The Joint Chair (Dean Allison):** You can have one additional question. Keep it under 20 seconds, please.

[*Translation*]

**Patrick Bonin:** Mr. Van Walleghem, I would like to know how many meetings the Indigenous Advisory Committee has held. I would also like to know whether it made any recommendations and whether these recommendations were accepted. Could you submit these documents, if applicable?

[English]

**Rob Van Walleggem:** We've had 11 meetings at the council since it started. They have provided advice on a wide range of policy and operational matters regarding the Major Projects Office—things like how to best allocate the capacity funding provided to the MPO. They've reviewed the projects that have been publicly referred to the office and given us advice on consultation methods.

**The Joint Chair (Dean Allison):** Thank you, Mr. Van Walleggem. That's all the time we have. Maybe someone else will pick that up.

Senator Carignan, you have five minutes, sir.

[Translation]

**Hon. Claude Carignan (Senator, Quebec (Mille Isles), C):** Thank you, Mr. Chair.

Mr. Feldberg, I gather that the government hasn't officially sent any projects under the act to the Major Projects Office, that no project has been the subject of a 30-day notice in the Canada Gazette and that no projects have been added to schedule 1.

What legal power does the office have? What does it legally use to fast-track projects that aren't technically designated under the act?

[English]

**Peter Feldberg:** We don't have legal power outside the Building Canada Act. There is no law that allows us to fast-track a project, other than what's found in the Building Canada Act. As of yet, we have not had a project listed under the Building Canada Act, as you noted.

What we do have—though “power” is probably the wrong word—is a convening power within the federal government. It is an important power. We're a special agency within the Privy Council Office. We have a power to convene the various departments so we can facilitate the work being done between a proponent and the departments in order to try to unstick problems and understand the issues associated with a particular project. There isn't any legal power, in that sense. This is what I was trying to explain to Mr. Bonin. We don't have a legal power, so we can't change the rules under which a particular permit is going to be issued. In some cases, a permit could be languishing somewhere. There may be a misunderstanding between a proponent and the permitting body.

There may be a way to coordinate departments. We work on those sorts of things. This can, in practical terms, assist. It's not a legal power to issue a permit or change a rule. It is a convening power to coordinate the various departments and work with them.

● (1905)

[Translation]

**Hon. Claude Carignan:** A government agency acting without legal powers is normally illegal.

[English]

**Peter Feldberg:** We're not exercising a legal power, Mr. Carignan. We're doing government work. We're working with the agencies—with those responsible and those who have the power to issue various permits and authorities. There's nothing illegal about that.

[Translation]

**Hon. Claude Carignan:** Judges decide this.

When you assess the five criteria set out in the act to determine the nature and eligibility of projects, how do you proceed? Do you have a formal grid? Do you have a weighting grid? Do you have a scoring system to weigh the five factors set out in the act? How do you do this?

[English]

**Peter Feldberg:** It might be helpful if I set out briefly how the office is set up. I think that will help answer your question.

The office is set up in a matrix way. We have executives and staff who work in various lines—mining, energy, electricity, communications. They will staff each project with people who will analyze it from the perspective of finance, execution, viability and all of those sorts of things.

We also have, on a horizontal basis, as I might describe it, a regulatory group, Rob's indigenous group and a project execution group, which take a look and do their own analysis. On each project we will take—

**The Joint Chair (Hon. Patti LaBoucane-Benson (Senator, Alberta (Treaty 6), GRO)):** Thank you very much.

I'm sorry, but the time is up, Senator Carignan. Maybe somebody will pick that up.

We will go now to Mr. Hardy.

Your five minutes begin now.

**Hon. Claude Carignan:** It's really inappropriate to cut off a witness during a question.

[Translation]

**Gabriel Hardy (Montmorency—Charlevoix, CPC):** Mr. Feldberg, last week, we met with the director general of the Major Projects Office. She told us that, in one year, \$42 million later, not a single project had been approved and set in motion.

I like to compare things and look at practices in other places to draw inspiration from the best. In Germany, in 194 days—or 9 months and 18 days—during a gas crisis in 2022, a liquefied natural gas terminal was built to handle an emergency.

Why does Canada have a complicated, time-consuming and costly process, while other parts of the world, when faced with a crisis, manage to deliver a project in 194 days?

[English]

**Peter Feldberg:** I can't speak to the project in Germany, Mr. Hardy. I can only speak to the projects that we're working on.

[Translation]

**Gabriel Hardy:** If you can't talk about this, we'll move on to my second question.

I'm inspired by what happens in other places. However, it's so urgent and important that Alberta just voted on Bill 30. This will make it possible to approve a project in 120 days, without any new bureaucracy. The project is submitted directly to the minister and, 120 days later, it's approved and set in motion.

Why does this structure become excessively costly at the federal level? We're talking about regulations. How do our regulations make project approvals so time-consuming and projects so costly? We're talking about \$42 million for zero projects. What's happening here? If we look abroad, we can see that we aren't drawing any inspiration. If we look at the situation here at home, we can also see the lack of inspiration.

What's so different about the process at the federal level?

• (1910)

[English]

**Peter Feldberg:** I think you're conflating two different things. One thing is equating designation with projects moving forward. Designation is one tool. Projects move forward when they're in the normal system as well. The proponent works away. You obtain permits. You move forward. The project gets approved, and you work. There are projects moving through our system today.

If I can put it this way, some projects might need the hammer of the Building Canada Act; some projects just need a scalpel to get to the next step. There are different ways of approaching—

[Translation]

**Gabriel Hardy:** Our current issue is that the projects have neither a hammer nor a scalpel. In other words, there isn't a single project. We've already invested \$42 million, but there isn't a single project yet.

I'll move on to my third question.

Ms. Farrell met with the committee last week. She told us that, for the approval of a major project—again, we're talking about regulations—there weren't really any indicators to show whether the project was Canadian or foreign.

I'll talk about the Grays Bay road and port project. The Prime Minister recommended this project directly. The Izok Lake corridor is a road corridor that will cost citizens and taxpayers \$1.2 billion. The corridor leads to Chinese mines. We'll need to maintain the roads and pay for this. The MMG owners told us that, without the road developed at taxpayers' expense, they wouldn't have been there. It would have been too expensive. When I look at the situation with major projects, particularly in Nunavut, I see that, on average, 25% of Inuit will be working on these projects. So this potentially opens the door to a 75% Chinese workforce.

With regulations, is there a way to ensure that major projects serve the interests of Canadians and that they serve, in this case, to help our country instead of helping China collect minerals here and put its workers to work at the expense of Canadians? Will any legal constraint ensure that this type of thing doesn't happen?

[English]

**Peter Feldberg:** The northern projects are there for more than that specific mine, as I understand the whole objectives of the

northern projects, so I don't think it's fair to simply target that particular project.

As for—

[Translation]

**Gabriel Hardy:** The project is there. It costs \$1.2 billion. After that, the road will require maintenance. We can't overlook this and say that it's only 1% of the project. The \$1.2 billion is taxpayers' money.

[English]

**Peter Feldberg:** No. These projects are very important for the country as a whole, Mr. Hardy.

[Translation]

**Gabriel Hardy:** Will you make sure that Canadians or people from Nunavut work there, and not a 75% Chinese workforce that comes to work here on a project that we're paying for so that the minerals ultimately end up in China?

[English]

**The Joint Chair (Hon. Patti LaBoucane-Benson):** Thank you, Mr. Hardy. Your time has expired.

I will now go to Mr. Hogan.

**Corey Hogan (Calgary Confederation, Lib.):** Thank you, Chair, and thanks to both of our witnesses this evening.

I hear regular feedback from stakeholders that the work of the MPO is professional and helpful and strengthens our country.

Mr. Feldberg, I appreciated your exchange with Mr. Gunn and your comment that we can both manage major projects and increase the efficiency of all projects. To me, that seems like a very pragmatic approach.

Realistically, many, if not most, major projects anywhere in the world involve government, regulations, legislation, financing, grants, debates, approvals and permits. While I appreciate the purity of markets that Mr. Gunn searches for, it does not seem to me to be outside of an Ayn Rand novel or a Modigliani-Miller thought exercise. That's how major projects are built anywhere in the world, so it's simply practical to have an office that helps the private sector navigate through that. Companies might do this once every few years. Professional public servants navigate that system day in and day out and can smooth things along.

As you said and as the Prime Minister has said, we also need to improve the overall regulatory environment. It's that topic I want to pick up.

You said that you work with proponents on MPO projects to unstick issues and identify areas where efficiencies can be found on all projects. I interpret that as potential legislative or regulatory change. I'm wondering if you can expand on how you approach your work in that field and can walk the committee through how you organize your work in that field.

**Peter Feldberg:** As I said in my opening statement, we have a small but mighty group in my group, which we call the regulatory efficiency group. This is a group of dedicated public servants who have been working for quite some time on regulatory efficiencies. They work with other departments to identify within.... I know they work with people at the fisheries department, ECCC, the Impact Assessment Agency of Canada, Natural Resources Canada, Transport Canada and various other departments.

They work with them to determine projects and find ways for projects to move through more quickly. They identify everything from what legislative changes might be made, to, even down to the operational level, how we can organize ourselves better to make sure the permitting is done in a more efficient fashion.

From an organizational perspective, we have a group that works with all of the departments to try to assemble them and bring recommendations through the departments, through the MPO and into the various political masters, who hopefully will make the changes we see.

• (1915)

**Corey Hogan:** Thank you. I appreciate a pragmatic, practical approach.

Mr. Van Walleghem, you talked about how the MPO expects proponents to demonstrate that they are meaningfully engaging with indigenous people, including taking time to understand distinct rights, reflecting that understanding in how projects are advanced and looking for evidence of clear commitments.

Can you give some examples of what clear commitments would be—mostly the range of them—and where we should see this evolving landscape? You don't need to attribute specific projects. I'm just trying, for the purposes of this report, to understand the types of commitments we're talking about.

**Rob Van Walleghem:** What we want to see is evidence of early engagement, because projects often go sideways with a lack of early engagement. I want to see the fulsome and comprehensive identification of potentially impacted communities. I want to see evidence of meaningful, two-way dialogue. I want to see evidence of ideas and improvements that have been provided by indigenous communities.

Also, if the suggestions are not taken, I'd like to see the reasons they were not taken. Proponents can't be told to just take every suggestion; either they have to be able to take it and be thankful or they have to be able to explain why not. There are often reasons, and I want to see that. That's the meaningful two-way dialogue I want to see.

Then, of course, proponents will come to know that, as the MPO, we'll have our own direct relationships with those indigenous communities. If I don't hear it straight from the proponent, I'm sure I'll hear it straight from the communities.

**The Joint Chair (Hon. Patti LaBoucane-Benson):** Mr. Hogan, we didn't set the clock, but we estimate that you have a minute and a half left.

**Corey Hogan:** I doubt I have even that, Chair, but I have only one more question along those lines.

Of course, you are building relationships with first nations as well. How does that work? Do you use those relationships while you're working with proponents? Is that a value to proponents as well?

**Rob Van Walleghem:** Yes, absolutely it is. It's about getting everyone around the table. Some proponents are really good at engagement. Some are not as experienced.

With indigenous communities, the proponent is probably not the only person who's talking to them. These communities are constantly barraged with all kinds of permit referrals. They're taxed. We think having an extra voice; having an extra person at the table representing the federal government, in this case the MPO; ensuring that the communities are hearing what they need to hear; getting the questions asked that they need to ask; and getting responses are all very valuable to not just communities but the proponents as well.

**The Joint Chair (Hon. Patti LaBoucane-Benson):** Thank you very much.

Senator Varone, you have five minutes.

**Hon. Toni Varone (Senator, Ontario, ISG):** Thank you, Chair.

I came prepared with five questions, four of which have been asked and answered already. I'm down to my last question. I'll cede whatever time I have left.

Mr. Feldberg, you stated in answer to a previous question that statutes and requirements all remain the same. How would you navigate a regulatory process when creative and ingenious new technologies and processes are so cutting edge that the regulatory landscape has not contemplated these technologies, and neither has the regulation kept pace with the new technologies being presented? Do you have the resources to help projects that are on the cutting edge of technology get through a regulatory process that has not yet contemplated them to be in existence?

• (1920)

**Peter Feldberg:** I'm struggling a bit to put this in a concrete context, I guess, beyond the abstract. Typically, in a regulatory process, you start with the problem that's defined or the project that's defined. Then you have a process for how you get to the determination of whether or not it's in the public interest or whether the environmental circumstances need to be satisfied.

I'm struggling a bit with the context of the question. Could you give me an example, perhaps?

**Hon. Toni Varone:** Fracking was first introduced as a technology. It had everybody running around, because they didn't understand it. They didn't understand how the process could yield natural gas from that type of technology. They had to build the regulation around a process that was never contemplated before.

**Peter Feldberg:** Okay. That helps me a lot, Senator.

I think you look at the effects you're trying to protect and the impacts you're trying to protect. Then you have to understand from the process the likely impact it will have on the environment, social aspects, people, water—whatever. You start with what the dangers are or what the particular aspects are of the new technology or the new activity that will affect the environment or people. Then you work through a process by which you can assess and mitigate any of those impacts.

With fracking, for example, you would need to understand the process. You would need to understand the science behind it. You would need to understand the effects on the environment and the effects on people. Through that process, you would need to assess how significant the impacts would be. Then you would need to design mitigations and protections that would allow that to proceed or not.

**Hon. Toni Varone:** This is the bottom line: Is your office equipped to handle new technologies to that effect?

**Peter Feldberg:** I think that would be a whole-of-government effect. We would certainly be able to identify where there are gaps. We would certainly be able to identify where the impacts are. We would certainly be able to identify what existing regulations and rules would be able to be applied to the process, yes.

**Hon. Toni Varone:** Thank you.

**The Joint Chair (Hon. Patti LaBoucane-Benson):** Thank you, Senator.

Mr. Allison.

**Dean Allison:** I have a couple of questions.

Mr. Feldberg, Senator Carignan was asking about how your office was set up. I was interested in hearing more. Could you finish your thoughts around that and on what you guys are doing to make this happen?

**Peter Feldberg:** Yes. What I explained to him was the matrix of how we are set up, with industry expertise and what I would call horizontal expertise: the indigenous, the regulatory and the project execution. Through all of that, we have experts who analyze each aspect of the elements in the act.

In our office, you will find people who have financial expertise. You will find people who have a lot of expertise with projects on the ground, people who are able to analyze whether the proponent is someone capable of bringing it forward and economics experts who can take a look at what the benefits are to Canada. We have some environmental expertise and rely on our colleagues at ECCC to give us advice on the impacts on climate change and all of those sorts of things. Through the office as a whole, we're able to give a pretty broad assessment.

What we don't have is a matrix or a tick-the-box checklist that gives a weighted score to every project in relation to each particular facet of that section of the act, because in many cases.... If you take the northern projects, some are not particularly economic in the pure sense of a rate of return in the near sense, but their impact on Canada's resilience, on the protection of our country, on the development of the north and on the advancement of indigenous people all might be so overpowering that one factor missing doesn't matter.

A judgment is applied about a lot of it, and we have the people to do the assessment. I hope I've answered your question.

• (1925)

**Dean Allison:** That's good.

You've been doing major projects or have been involved for 20-plus years.

**Peter Feldberg:** Yes, at least.

**Dean Allison:** Talk to me about the complexity and the regulation complications that have crept into the system. I'm guessing that doing a hydroelectric plant 20 to 30 years ago was a lot different from how it is today. What are some things that have slowed down that process in a big way?

**Peter Feldberg:** It's mixed, actually, sir. Some things have gotten faster or can get faster. I'm glad you said 20 years ago. It was further back than that, but I'll take it.

We were learning a lot. When they did environmental assessments, for example, everything was a one-off. Everything was new. We did them provincially. We did them federally. There weren't such things as standardized mitigation. We didn't understand the projects as well. We didn't understand the impacts as well. I think we've learned through that process.

If you look at what the Impact Assessment Agency can do today versus what it did 20 years ago, what you'll find is that their timelines are speeding up. We're learning, in that sense.

Similarly, with consultation—my colleague Rob can probably speak to this better—I went through a period where we spent a lot of time in court just because indigenous people were trying to get in the door. It was about constantly pitting industry versus indigenous people over a project, because the law wasn't clear. The law wasn't settled. Practices weren't settled. People didn't know how to engage and consult, and I think that has improved. Actually, today, we're probably a bit faster than we were a decade or 15 years ago, just because we've learned something and we're trying to coordinate better.

I'll add this. I still think improvements can be made. I still think we can coordinate more. I still think we can do things more concurrently, and I think we can use technology now in a quicker way to analyze and assess projects without shortcuts or diminishing our commitment to the environment.

I hope I've answered your questions.

**Dean Allison:** I have less than 20 seconds left. I'll ask this question, and maybe someone else can pick it up. In terms of dealing with the three regulators, obviously there are issues. My question is, have you guys identified what those issues or problems potentially could be in slowing down projects?

I'll leave that response for another time, because my time is up.

**The Joint Chair (Hon. Patti LaBoucane-Benson):** Thank you.

I will pass it to Mr. Blois.

**Hon. Kody Blois (Kings—Hants, Lib.):** Thank you, Madam Chair.

Thank you to both of our witnesses for your work.

Mr. Feldberg, are you noticing a difference? Obviously, the Prime Minister is trying to set a different tone in the way we're talking about the importance of moving quickly and of regulatory agility.

You mentioned the convening role the MPO plays. I'm less concerned about whether or not we designate projects under Bill C-5. I'm more concerned about advancing projects at a quicker pace. If that means the MPO is coordinating and perhaps putting, as I described it last week, a bit of a flashlight on the processes of internal government, what are you noticing in your engagement with our regulators or departments in these areas?

**Peter Feldberg:** I'm noticing that the message has been heard. If I can put it in my colloquial terms, it feels as if people got the memo. Certainly, at the senior levels of the public service, there is a real desire to move projects through efficiently because they're good for Canada, and we should be encouraging that. I'm seeing that.

I've only been in the public service for five months, so I don't know how much of a change that is, but I was encouraged by that attitude. I can tell you that.

**Hon. Kody Blois:** I'll build on what my honourable colleague from Niagara West was talking about. You're dealing with proponents, talking to regulators and understanding. I think you used the word "scalpel" at one point to note that little adjustments could be made. All of that is important feedback. We as parliamentarians have conversations with stakeholders as well.

To the point that Mr. Allison made about that feedback and where it might be going, is the work the MPO is doing to help advise cabinet, Minister LeBlanc and others about other processes, above and beyond the designation of Bill C-5, to improve what I described as mid-tier projects last week to Dawn Farrell?

• (1930)

**Peter Feldberg:** Yes. We meet with industry associations regularly. We meet with proponents regularly. Many of us have long experience working with proponents and for proponents, and we see the issues there. We do pass on our views and make recommendations, sir.

**Hon. Kody Blois:** I'm curious about the one window. I asked Minister LeBlanc this question. It is part of what the government is trying to do: one project, one window. Under the Impact Assessment Act, there were what became federal triggers, where a project would find its way into our shop.

In your experience working with the provinces around this, how are things playing out between what can be legitimately devolved into the regulatory structures of provinces, which I think is a great idea, and what has to be triggered and still be with us?

**Peter Feldberg:** There are areas of federal responsibility—fisheries, navigable waters and a few others—that need to reside with the federal government. Interprovincial pipelines are one area

where the federal government has more of a role. Nuclear facilities are another area where it has more of a role. There is a need, then, for a little back-and-forth between the provinces and the federal government in terms of who does what to ensure that a single window can work in each of those contexts.

**Hon. Kody Blois:** The point I take away is that where there are areas, traditionally under the Constitution, that have shared jurisdiction or co-jurisdiction and the province has a statute that we believe would meet the merits of the federal dynamic, we hand that over to the local side.

**Peter Feldberg:** We do. There's substitution, yes.

**Hon. Kody Blois:** I have about a minute and a half, if my chair is very kind to me.

The last piece is the coordinating role on transformational strategies. I asked Ms. Farrell about this last week.

I'm a Nova Scotia member of Parliament. If I look at Atlantic Canada, I see the opportunities we have within the region to play in the national interest. When we look at what's happening with the potential for Wind West, we have Premier Holt talking about the potential of a new nuclear project and have Newfoundland and Quebec's MOU.

Is there someone within the MPO helping to look at a bigger regional context and how some of these major projects have an inter-related connectivity? Can you describe that, if it is happening within the MPO?

**Peter Feldberg:** We have had a number of transformational strategies referred to us, and that's precisely why. We're probably one of the few agencies that can take a look holistically at an area, as opposed to a project or a particular department, and see how it can be developed. I think that's a real focus of Ms. Farrell's.

**Hon. Kody Blois:** That work is happening, then, in a regional context, with multiple lines in the water.

**Peter Feldberg:** Yes.

**Hon. Kody Blois:** I think that's my time.

**The Joint Chair (Hon. Patti LaBoucane-Benson):** Thank you.

I will move to Senator Quinn now for five minutes.

**Hon. Jim Quinn (Senator, New Brunswick, CSG):** Thank you, Chair.

I'd like to follow up a bit on the single window. I'm also trying to understand it. I'm still struggling with how we can have designated projects, we can have transformative strategies and now tonight we can have projects that are in the normal process. For projects that cross boundaries with respect to federal and provincial jurisdiction, I'm struggling with the single window concept without using paragraph 92(10)(c) of the Constitution, which is the declaratory power that brings it under the single window.

Is that what you're referring to, Mr. Feldberg, with respect to facilitating the single window?

**Peter Feldberg:** Yes. When you speak about a single window in our context, it has to involve, in my view, federal and provincial co-operation. That's why the co-operation agreements are so important. Co-operative federalism is, I suppose, the term for it.

Obviously we can't overstep our bounds. We can't exercise jurisdiction that is not ours, nor can the provinces do that. What we have to do is work together on various projects. That's why the co-operation agreements are so important. What they allow, for example, is for a single review to be done, with federal and provincial bodies on them, in order to effect, from a proponent's perspective, one review, but each jurisdiction is exercising its powers.

**Hon. Jim Quinn:** Okay, so it's a co-operative arrangement to allow each jurisdiction to do that—

**Peter Feldberg:** It's a co-operative arrangement.

**Hon. Jim Quinn:** —without using the declaratory power.

I'm trying to also understand the play between the MPO and the bureaucracy, if I can put it that way. I know you mentioned earlier that you folks look at, I assume, the business case for various projects and do the analysis, provide feedback, etc. Do you also have to involve central agencies—for example, the Department of Finance and the Treasury Board—with the usual challenge functions that occur when projects are coming through the system?

• (1935)

**Peter Feldberg:** It's a short answer—yes. We work with many departments on the analysis and in having the projects go through, so the answer is yes.

**Hon. Jim Quinn:** All right. I'll give an example I'm really interested in: the port of Contrecoeur. I have a bit of a background in ports. The port would have put forward a business case, and that business case would have been reviewed. Would it have been reviewed by the MPO, or would it have been reviewed by Treasury Board and Finance? Where does the project stand in relation to moving it forward? I understand that the project may be moving forward and there may be shovels in the ground.

**Peter Feldberg:** Yes.

**Hon. Jim Quinn:** You can clarify that.

If so, is that a designated project, or is the project under the normal processes? Did they get the clarifications from the central agencies?

**Peter Feldberg:** I won't be that much help on the specifics of the review of the finances because I'd be over my skis on that one, Senator. It wasn't in my department, so I didn't look at that.

I understand that the financing arrangements for it went through the MPO. The financing arrangements also went through Finance, obviously, and the financing agencies. I understand there was a role for the MPO to play in how that was all structured.

That was not a designated project. It didn't need to be designated. Instead, what the MPO did was work to help with the structure of the business and work with the structure of the governance, and then it moved the project further along. My group did have a role to play in some of the environmental assessment aspects of it, but that was done in the normal course and through the convening power, as opposed to any legal work.

**Hon. Jim Quinn:** Then that project, for example, is a greenlit project using the normal process.

**Peter Feldberg:** That's right.

**Hon. Jim Quinn:** Okay.

On the aboriginal side, the MPO doesn't replace the Crown's duty to consult. What's the interaction there between the MPO, first nations and the departments that otherwise would be involved in leading the consultations? How does that work?

**Rob Van Walleghem:** The departments that are undertaking the reviews would continue with the consultation coordinators they're used to using. Where we get involved in consultation is if and when there's a proposed designation. Then we run that consultation. I think that came up a little bit earlier. I think there was a question about whether we made any recommendations for a designation. Well, no, because we haven't had a consultation. You have to have a consultation before you can make a recommendation.

**The Joint Chair (Hon. Patti LaBoucane-Benson):** I'm sorry, Mr. Van Walleghem. We'll pick that up in another question.

I'm going to pass it now to Mr. Ross for five minutes.

**Ellis Ross (Skeena—Bulkley Valley, CPC):** I will pick up the previous question.

I've been doing this for 20 years as well. I've been doing permitting and environmental assessments in the context of aboriginal rights and title.

In terms of the opening comments from you, Mr. Van Walleghem, I don't want to put words in your mouth, but I did hear the word "consent". On a linear project—say, a pipeline from Alberta to the B.C. west coast—did I hear correctly that you will need 100% consent from all first nations that are affected along the right-of-way of a pipeline?

**Rob Van Walleghem:** What you heard was that the office and the government are committed to consultation with respect to section 35 of the Constitution and to the principles of UNDRIP, including free, prior and informed consent. You can count them on more than all of our hands—

**Ellis Ross:** That's incorrect. I have to correct you there. FPIC is not technically part of case law. Consent is in case law, but not to that extent. What you're talking about is UNDRIP, which is a separate question.

Let me be straightforward. For a linear project like a pipeline going from Alberta to B.C., is it the MPO's position that you will need 100% consent from 100% of the first nations along the right-of-way of the pipeline project?

**Rob Van Walleghem:** With respect, Mr. Ross, I'd have to ask you what your definition of "consent" is, because there are many.

• (1940)

**Ellis Ross:** I use the consent that was laid out in the Haida court case of 2004.

**Rob Van Walleghem:** Consent....

**Ellis Ross:** Yes.

**Rob Van Walleghem:** Consent is not unanimity. The duty to consult and consent...the laws around the duty to consult and accommodation as well.... I interpret the law of consent in terms of how it's used in UNDRIP.

**Ellis Ross:** The case law specifically says consent is favourable, but it's not required in every instance.

**Rob Van Walleghem:** In fact, it could be—

**Ellis Ross:** Will consent be required by 100% of the nations along a pipeline route from Alberta to B.C.? Will it be required, based on your opening comments?

**Rob Van Walleghem:** Again, Mr. Ross, it depends on the definition of “consent”, and you're telling me it's set out in Haida.

**Ellis Ross:** Yes, it is.

**Rob Van Walleghem:** Without turning this into first-year law school, can you tell me what that was in Haida, how consent was defined?

**Ellis Ross:** They must seek consent, but it's not mandatory in every case. That's what the Haida court case said.

By the way, in terms of the reannounced projects, consent will not be required for those that have already left the starting line. Specifically, I'm talking about Nisga'a Ksi Lisims LNG. It's part of a court case right now by Metlakatla and Lax Kw'alaams, for judicial review. There will be no retroactive decisions made by the MPO on the lack of consent coming from these two bands, depending on the court decision.

**Rob Van Walleghem:** I've heard people make the assertions that their consent has not been given, but, again, that depends on the facts of the case, the amount of consultation that's been undertaken and the amount of accommodation that's been provided. I don't like to start a conversation.... We heard a lot in our regional engagement sessions about whether a project will proceed—

**Ellis Ross:** We're talking about two first nations in particular that have already entered the court system for judicial review of the approval of Nisga'a Lisims, so you will not be going retroactive.

I have only a minute left. On top of the rights and title consultation and the consultation under UNDRIP, you also have the layer of DRIPA in B.C. That relates to the provincial government and a first nation, in particular, sharing statutory decision-making under section 7 of DRIPA. Has the MPO taken this under consideration? Will it be overridden by the MPO or the federal government, or will section 7 be honoured?

**Rob Van Walleghem:** I understand that the premise of section 7 is shared decision-making and to involve first nations in shared decision-making so that decisions made under a shared decision-making board or tribunal are subject to review by the proponent if they don't like the procedural fairness that has been attributed to the process. That—

**The Joint Chair (Hon. Patti LaBoucane-Benson):** I'm really sorry, Mr. Van Walleghem. The time is up for this questioner.

I'm going to pass it now to Mr. Dhaliwal.

**Sukh Dhaliwal (Surrey Newton, Lib.):** Thank you, Madam Chair.

Most of the questions I had have been pretty well covered, but I can still ask a few questions. They will go to Mr. Van Walleghem.

To what extent will this more coordinated and inclusive approach help build confidence among not just investors but also indigenous communities and the broader public?

**Rob Van Walleghem:** Last week, I attended the First Nations Major Projects Coalition conference. What I heard—any of you who were there would have picked up on this as well—is overwhelming enthusiasm for major projects and for all projects that can provide economic benefits to indigenous peoples in Canada.

We're trying to change the perception that regulators and indigenous peoples are somehow barriers to the execution of projects. They are not. We're going to work on some efficiencies in the regulatory system. We did a virtual engagement session to which over 600 participants were invited. We took comments from over 300. Overwhelmingly, people want to get moving. They understand the importance of moving projects along in this country. They all acknowledge, as we do, that the consultation on, passing of and implementation of the act were done more quickly than anyone could have imagined.

I also heard that they understand why. Something had to be done. We have to start demonstrating that we are changing the narrative in this country and that it's all hands on deck. The work we're doing with proponents and indigenous communities is to ensure that everyone feels they have a voice at the table early on in the development and planning of projects, not just after plans are completed, when a proponent comes and says, “What do you think?” That's not real consultation and engagement.

• (1945)

**Sukh Dhaliwal:** With all these efforts you're putting in as these improvements take hold, are you seeing early signs that this model is translating into better project outcomes, whether in timelines, partnerships or economic benefits?

**Rob Van Walleghem:** It's too early to say that conclusively. However, you will see a reduction in delays of projects. You will see a reduction in the cost of projects. A lot of projects in the past have cost.... Time is money. When there's confusion, misunderstanding or even sometimes animosity, things slow down or don't happen. I think we'll see successful resolutions and progress based on early collaboration, especially on environmental issues.

A question came up earlier about environmental issues. There's nothing in the legislation or the approach of our office that in any way detracts from the importance of that criterion, which is for all Canadians and indigenous peoples.

**Sukh Dhaliwal:** I have a last question. As the MPO continues to evolve, what opportunities do you see to further strengthen collaboration with indigenous partners while continuing to deliver on Canada's economic priorities?

**Rob Van Walleghem:** A lot of the expertise in our regulatory system is siloed, and not for any mischief. It's just a fact that people are assigned to and account for certain things. They're very good at what they do, but someone has to bring it together. If you can bring it all together, you can also present it to indigenous communities in a single package so that they're not always getting dozens of referrals on various permits or practically the same questions or concerns. We're going to see a lot more co-operation and efficiency.

When we say “fast-tracking and streamlining”, it isn't to cut corners. It is not dropping the ball. It is just to make sure the most important concerns we all share are consolidated in one place where people can understand them. You can't take them one at a time. You have to be able to see the whole picture, or it's not in context. I see that as an improvement we're looking forward to. I know it's something indigenous communities are looking forward to as well.

**Sukh Dhaliwal:** Thank you very much.

**The Joint Chair (Hon. Patti LaBoucane-Benson):** Thank you.

We have Senator Harder for five minutes.

**Hon. Peter Harder (Senator (Ontario), PSG):** Thank you very much.

Let me pick up where Mr. Van Walleghem just ended. Given what we heard from Mr. Feldberg about the way in which the office has been able to use the power of convening to achieve expedited coordination, if I could put it that way, without designating a project, and given what you've just said with respect to the indigenous aspect of the consultation, it seems to me that the designation is maybe less needed than the act originally intended, or at least I assumed that from the act. Is that true? If it is, how are you looking forward to communicating real, expedited experience as we go ahead in the months ahead?

**Rob Van Walleghem:** The proof will be in the number of final investment decisions that people see coming in and will be in the increased number of applications that come into the regulatory agencies for approvals because people have confidence in the system. For years, people have been running away to other jurisdictions because they don't want to take the time or spend the money to even apply. The first indication you'll have, probably sooner rather than later, is the number of applications coming in, not just for major projects but for all projects.

We're the Major Projects Office, not the “all projects office”. The work we're doing, even if something is not designated—the kind of work that Peter was talking about earlier—is like Formula One racing. I've told people this. I'm not a Formula One fan, but I think it's really cool and interesting. My kids love it. I don't watch it, but here's what I do know: The innovations that go into those cars make it into mine to make it safer.

In the work we're doing at the MPO on major projects and projects referred to our office, those kinds of innovative ways to increase efficiency of regulatory procedures are going to make it into the mainstream for all regulatory applications. That's what we're working on.

● (1950)

**Hon. Peter Harder:** Can you give me some prediction as to what timeline we will see this happen in?

**Rob Van Walleghem:** What timeline...?

**Hon. Peter Harder:** Would it be by the end of this year?

**Rob Van Walleghem:** Yes, I would think that by the end of this year, you're going to see that. I've already seen one statistic. Forgive me. I can't remember where I read it, but I think applications into the Impact Assessment Agency are up 25% over last year already. That wouldn't have happened a year ago. That's just tone from the top having an effect.

**Hon. Peter Harder:** I have one other question that's totally unrelated. It's with respect to how the indigenous advisory council interacts with specific projects, if at all.

Can you describe the work they've done in the 11 meetings that you've had? You're anticipating more, I'm sure. How is the advisory council involved with specific projects or giving you advice on specific projects?

**Rob Van Walleghem:** I have to be very clear here. They do not have any decision-making authority. If we have a question about a particular amount of consultation or about innovative ways of consulting and innovative ways of reducing the burden on indigenous communities for engagement consultation, they bring individual perspectives from first nations, from Métis, from Inuit and from modern treaty and self-governing bodies. They bring that unique, varied and diverse perspective. That's important, because it's not one-size-fits-all. When we look at the gambit of projects all across Canada—in the Arctic and the north as well—it's important to have that lens.

When we tell them the projects that have been referred, individuals from those regions can help us understand if there are any particular concerns they see and what we might be able to expect in order to ensure that we are guiding proponents in the most efficient and useful way and understanding the audience. It's one thing to prepare a message, but you have to understand the audience, and the audience is so diverse across the country that the advice they bring to ensure we're connecting with the people who care and to whom it matters is critical. That's the kind of advice we're getting.

**Hon. Peter Harder:** Thank you.

**The Joint Chair (Dean Allison):** Thank you very much, Senator.

We're now going to turn it over to Mr. Lawrence.

Mr. Lawrence, welcome to the committee.

**Philip Lawrence (Northumberland—Clarke, CPC):** Thank you. It's a pleasure to be here.

I had the privilege of working on Bill C-5 with the great team of Dominic LeBlanc and Shannon Stubbs. We worked around the clock to try to get this legislation done, because we fundamentally believed in the idea behind it, which was to get major projects done.

That's where I come from on this. I'll tell you that I'm disappointed, but we'll get into some of the questions.

Mr. Feldberg, how many projects that have been referred to the Major Projects Office have been completed?

**Peter Feldberg:** By completed....

**Philip Lawrence:** I mean done. It's not hard.

**Peter Feldberg:** I'm thinking. I'm trying to figure out what that is. Have they been built? Do they have shovels in the ground? We have some that are moving. I could say that.

**Philip Lawrence:** None have been completed, though. Isn't that correct?

How many projects that have been referred have been designated?

**Peter Feldberg:** None—but they will be, Mr. Lawrence. There will be some.

**Philip Lawrence:** By when? Will it be within the next year, within the next five years, within the next 10 years?

**Peter Feldberg:** If I were to hazard a guess, I'd say it would be within the next year.

• (1955)

**Philip Lawrence:** Okay. I appreciate that.

**Peter Feldberg:** There are projects we're considering. I don't want to give the impression that the act is not important. It is a very important act. It's still very important—

**Philip Lawrence:** No, Mr. Feldberg, as I said—

**Peter Feldberg:** —and it's a tool to be used.

**Philip Lawrence:** —I worked around the clock with many staffers and many MPs to get this passed. I'm not saying it's not important.

Can you give any details here? You said that you've been able to convene and expedite projects. Can you cite a project you've expedited, and by how many years and how many months?

**Peter Feldberg:** I couldn't give you how many years or how many months on a project. I'm not going to go through the specifics of projects, but there have been several where what we have done has moved things forward, yes.

**Philip Lawrence:** Thank you, Mr. Feldberg.

The problem that the MPO was meant to solve was that the current process for regulatory approval was excessive. It had too much red tape and wasn't transparent. It was hindering or limiting Canada's productivity. Now you have come to us at committee and said that you cannot explain the process. You have said that you convene meetings, but you can't give any details of those meetings. You have said that you have not approved one single project and that not one project has been completed. In other words, you've successfully added additional complexity to a regulatory regime

without providing any results. My colleague referenced Ayn Rand earlier. I would settle for a system that Nikita Khrushchev would be proud of, because that seems to be a bar that we're not even hitting.

Mr. Feldberg, you are supposed to publish an annual report by 90 days after March 31. When can we expect that report?

**Peter Feldberg:** The report is on projects that have been designated, and there haven't been projects designated.

**Philip Lawrence:** So you will not be providing any report, pursuant to the requirement of March 31, because no projects have been completed or even designated.

**Peter Feldberg:** I can say they haven't been designated, yes.

**Philip Lawrence:** It would be a pretty short report, I guess.

Thank you very much. I hope we can have a more productive discussion in the future. I hope there are projects designated within the years you've committed to. As of now, it seems as though we've wasted a lot of time and \$40 million of tax dollars. All we've accomplished is to create additional complexity and less transparency for Canadian taxpayers.

Thank you.

**The Joint Chair (Dean Allison):** Thank you.

Mr. Beech, you have five minutes.

**Hon. Terry Beech (Burnaby North—Seymour, Lib.):** Thanks so much.

Thanks to our witnesses for being here.

I've enjoyed all of our colleagues' questions so far. I want to build off a question that I asked Madam Farrell when she was here last week and get into some of what Senator Harder was talking about in terms of how we'll go about measuring success. I think this line of questioning is primarily for Mr. Feldberg, but if there's time left over, I would invite Mr. Van Walleghem to comment as well, given some of the comments he's made.

This is what I've heard so far with regard to how we're going to measure success or the key performance indicators you might be looking at. Environmental mitigation and other regulations will be maintained yet expedited. There will be potential cost savings from court avoidance. I would assume that's on the government side, proponent side and indigenous side as well. There will be improvements in the velocity of capital and the quantity of capital that will find its way to major projects in Canada. We will see improvements in time and financing. We will see an increase, potentially, in good-paying jobs and economic development. There will be speed across the various verticals that were described by Mr. Feldberg—across the different industries and expertise.

Other considerations that aren't directly economic include improved resilience, investments in our sovereignty, cost reductions on the proponent side and potentially cost reductions on the government side, and more efficient consultation for stakeholders. We should see an increased velocity in the number of investment decisions we're taking and the number of applications coming in. I would expect that this would coincide with an increased velocity in capital, which I already mentioned.

Are those some of the performance indicators you're looking at?

**Peter Feldberg:** Yes.

**Hon. Terry Beech:** What performance indicators are you willing to add to that, and how should we be measuring your success in six months, a year, three years, five years, etc.?

I would encourage you to grow that list. I'll give each of you a chance to comment.

**Peter Feldberg:** I'll go first, and then Rob can follow.

That list is generally the type of indicator or KPI that we look at. Specifically for my group, it's the number of projects that would be approved within a two-year window, which is the target we are working at.

We are also trying to track the time shortened from standard processes, which is a bit more tricky to calculate, but it's something we're trying to look at, as are recommendations implemented for regulatory improvements and efficiency more generally.

Some of the other KPIs generally are the ones that you mentioned, like what contribution to GDP has been made by the projects that have come through and been approved. I think our target is pretty high on that one.

Generally, that's the right track. They get more granular for each one of us. As I said, for my group, it's the number approved within two years, and it's how much improvement we have made over the regular process.

Rob may have more to add.

- (2000)

**Hon. Terry Beech:** If there are other details, I'll invite you to provide those to the committee.

Mr. Van Walleghem, do you have any comments on this?

**Rob Van Walleghem:** Thank you, Mr. Beech.

Ms. Farrell took that away as an undertaking and will provide a list of metrics that we'd be generating to represent the progress made.

I would say these are major projects we're talking about, and these are major projects seeking approval. In terms of a lot of the typical indigenous criteria that you would look at, like jobs, training, benefit agreements and equity participation, these are things that are hard to put in place until you have a project under construction, so those will probably come a bit later.

In the meantime, what we can probably look for are signals that things like the indigenous loan guarantee program are attracting capital, because, of course, that removes the number one barrier to indigenous participation, which is access to capital. When we do the analysis at the office, and just so—

**Hon. Terry Beech:** I don't mean to interrupt, but I only have 30 seconds, and this is the only chance I'm going to get.

We obviously have our historical numbers. We can compare them against ourselves and what we've done recently. Are there international metrics? Are we going to be best in the world? Are we going to be in the top five? Is there some sort of international

benchmark we can measure ourselves against, and not just our historical performance?

**Peter Feldberg:** Yes. We look at other countries and what they're doing, and our objective is to be the best.

**The Joint Chair (Dean Allison):** Thank you very much.

Senator, now it's your time. You have five minutes.

**Hon. Patti LaBoucane-Benson:** I'm going to continue along the idea of metrics and how we know the work you're doing is effective and will result in a common good for Canada.

With regard to indigenous consultation, do you have any concrete examples of how project design reflects the interests of indigenous communities? Can you help the committee understand what that might look like at the stage of project design?

**Rob Van Walleghem:** You would have to almost develop a survey or a questionnaire for potentially impacted indigenous communities associated with each project. You could do an assessment that way, and then we could put the proponents to the test, asking how they would demonstrate the engagement process.

It's probably not good enough to say how many meetings you have had, because they could be productive meetings or they could be unproductive meetings. You want results from those meetings. You would probably need a narrative to go with it. As I mentioned earlier, you'd want to know more about the conversations and about advice that was given. Was it taken, yes or no, and if it wasn't, why not? Is the indigenous community satisfied with the explanation?

The other thing, in my experience, is that indigenous communities don't always insist on agreement. They're okay with not being in agreement as long as they understand why and as long as there's respectful conversation, because you can't always agree. If the overall objective is to pursue economic participation and the benefits to a community resulting from a project, then we can start measuring those sorts of things.

I can't think of a way at that stage other than interviewing the indigenous communities.

**Hon. Patti LaBoucane-Benson:** How do you decrease the burden of consultation on indigenous communities? That's not only financially, because it takes a lot of manpower and a lot of people power to do these consultations. How does your office reduce that burden?

**Rob Van Walleghem:** We're looking at ways to do that. As you will remember, when we're talking about streamlining, that's where it comes in. We're reducing the number of referrals that come from multiple departments into the same indigenous band office to deal with. For instance, if we were to designate a project, that would all be consolidated into one conditions document. Then at least the community and the indigenous group have one document they're working from from one office—ours—instead of multiples from various departments on various issues.

When we talk about capacity funding with indigenous groups, we say we recognize that there's a need for more funding in some instances, but we can't just say that without exhausting the examination of whether we have reduced the amount of work they need to do. There's going to be a certain amount of work required for sure, and if additional capacity is still required, we're going to have to find it.

That is also an obligation for the proponent. It's not just the government's obligation. It's the government's duty to consult and to accommodate, but early on, in terms of providing capacity to a first nations, Métis or Inuit group, that will also come. There's a role to play there for the proponent.

• (2005)

**Hon. Patti LaBoucane-Benson:** Really quickly, here's my last question: How does the Major Projects Office incorporate indigenous governance systems, laws and decision-making processes in the whole coordination piece with indigenous communities? What I'm saying is that we understand that indigenous communities operate differently. How are you accommodating that and making sure they are participating in a meaningful way?

**Rob Van Walleghe:** The first thing we do is ask them. Sometimes nobody asks. We ask them what they would like and what makes sense to them. As you said earlier, it's not one-size-fits-all. It's very diverse, so the first thing we do is ask them what is most valuable, most appreciated and most effective for them, and we work around that.

**Hon. Patti LaBoucane-Benson:** Thank you.

Thanks, Chair.

**The Joint Chair (Dean Allison):** Thank you very much.

We're going to finish off with Ms. Bendayan.

**Hon. Rachel Bendayan (Outremont, Lib.):** Thank you, Mr. Chair.

Thank you, witnesses, for being here.

In Ms. Farrell's testimony last week before this committee, she mentioned that approximately 275 projects had been sent to the Major Projects Office. In your earlier testimonies, each of you gentlemen mentioned in different ways that part of your work is about streamlining approvals—accelerating approval timelines is what I heard earlier in your testimony—and creating efficiencies for all projects.

There have been several questions around the table about designated projects, but from your testimony today, do I understand you correctly that for many if not all of these projects, you are working to create greater efficiencies and to help speed up the regulatory process?

**Peter Feldberg:** Yes, and if I can put it more accurately, we have the projects we work on, and in several ways we can move them along. It might be just a permit, it might be just some conversations or it might be moving them to a different department that can assist them more quickly. That's the project-specific side of it.

On the regulatory efficiency side, we work with all the other departments to look at how quickly permits are being issued or not

and how the coordination among the various departments is working. We look for operational, regulatory and legislative opportunities to speed that process along. We work on a number of levels to make that efficiency happen.

**Hon. Rachel Bendayan:** Just to clear up any confusion from previous questions, you are bringing together an entity with legal authority in order to issue permits or create approvals. You yourself, as you mentioned earlier in your testimony, don't have that legal authority. You're the convening power, as you mentioned.

Is there anything you'd like to expand on in respect of that?

**Peter Feldberg:** No, but I wish I'd said it as succinctly.

**Hon. Rachel Bendayan:** In addition to the 17 projects that the federal government has referred to the Major Projects Office, the government also identified six transformative strategies. We haven't had an opportunity at this committee to hear about those transformative strategies. Perhaps you want to touch on how the MPO advances those.

**Peter Feldberg:** I can give two examples relatively quickly.

Ms. Farrell touched on one when she was here last, the northwest critical conservation corridor in B.C., which involves four projects that have been referred to us. Two of them are LNG, one is an electric transmission line and one is the Red Chris mine.

In that area, there's a great opportunity to develop critical minerals for Canada, there is a great opportunity to develop LNG and there is a great opportunity for a variety of things to happen. British Columbia has identified this as a critical area for its development, and it has been working with indigenous groups in the area, particularly the Tahltan, the Nisga'a and some of the others, to develop the potential.

Our job is to look at it more holistically than most federal departments can. Federal departments are all over it, but in their own particular sectors. What the MPO is able to do is take a look at it and ask what an area needs in terms of infrastructure, in terms of financing and in terms of working with indigenous communities to try to move the whole thing forward in a more coherent way.

Another example was in the north, where we were given a transformative strategy. What fell out of that was a number of projects that have subsequently been referred to the MPO, which we're busily working on to make a reality.

The MPO is unique in that we can look at an area or a sector in a way that the other departments can't because we can do it more holistically.

I hope that answered your question.

• (2010)

**Hon. Rachel Bendayan:** Yes, that's very useful.

We did touch quite a bit in this session, and rightly so, on indigenous consultation and consent. I'd like to hear from you, in the time I have left, on what measures you're taking in the process to ensure that the environment and the protection of the environment are being duly considered in each of your analyses.

**The Joint Chair (Dean Allison):** Give a quick response, as we're almost out of time.

**Peter Feldberg:** In the projects that have been referred to us, we work with the departments involved—ECCC, DFO and the others—to ensure that their requirements are met. We also do our own analysis, and we have people on staff who can help us with that to ascertain whether or not a project is advancing the climate objectives of Canada or other environmental objectives.

We work both inside the office and with the various departments to ensure that everything is met.

**The Joint Chair (Dean Allison) :** Thank you very much.

Thank you, Ms. Bendayan.

We also want to thank our witnesses. I'm sure we'll be seeing more of both of you over the coming weeks and months. Thank you for your time.

We're going to suspend for a few minutes and then come back to look at some drafting instructions before we leave tonight.

*[Proceedings continue in camera]*

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