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Mr. Alan Tonks

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•(1535)

[English]

The Chair (Mr. Alan Tonks (York South—Weston, Lib.)): Good afternoon, members of the committee.

Welcome to our witnesses. Ladies and gentlemen, today this is the 58th meeting of the Standing Committee on Environment and Sustainable Development. It is televised.

Pursuant to Standing Order 108.(2), this is a study on the 11th Conference of the Parties to the United Nations Framework Convention on Climate Change, COP 11.

This afternoon, appearing as witnesses before the committee, we have Norine Smith, assistant deputy minister, global climate affairs of the Department of the Environment; and David Brackett, special adviser, also from global climate affairs. From the Department of Foreign Affairs and International Trade, we have Sushma Gera, director, climate change and energy policy division.

Welcome to you all.

Before we go into the proceedings and hear from the witnesses, I think, Mr. Jean, you had a notice of motion, which some of the members have indicated they have no problems dealing with it. Would you read it? Then I can get a better handle on whether it's unanimous that we waive the proceedings in order to introduce that.

I had understood, Mr. Bigras, that there was consent. You had indicated that you were okay with this motion. You're not, so....

[Translation]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): My colleague told me about the motion. I told him informally that I supported it. On the other hand, we are not about to start changing our rules today. The rules are clear: my colleague will table his notice of motion, and we will debate it at the next committee meeting.

[English]

The Chair: Okay. Thank you, Mr. Bigras. I was operating on the assumption that we did have consent.

We'll take that, and what we'll do, Mr. Jean, is we'll have it prepared, we'll have it distributed, and we'll deal with it at our next meeting.

Now, with respect to the agenda on COP 11, we also have Mr. Wilfert, the parliamentary secretary to the Minister of the Environment, who is making some information available. We'll just

allow him to do that at this time, and it will form a reference paper for the deputations we're having.

Mr. Wilfert.

Hon. Bryon Wilfert (Richmond Hill, Lib.): Thank you, Mr. Chair. With the consent of the committee, as I had indicated before, I would like to present the "Action on Climate Change: Considerations for an Effective International Approach". It's a discussion paper for the preparatory meeting of the ministers for Montreal 2005 at the United Nations Climate Change Conference. I have them in both English and French, and with your permission, I'll give them to the clerk.

The Chair: We have the unanimous consent from the members. We'll have that distributed.

•(1540)

Hon. Bryon Wilfert: Thank you.

The Chair: Thank you, Mr. Wilfert.

Mr. Comartin.

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Thank you, Mr. Chair. I had a similar motion; I'm going to put it forward. There had been some understanding, at least amongst the opposition parties, that it would be acceptable to pass this motion. It had been circulated in both languages, but it would normally not be heard until next meeting. Given that next week is a break, I was asking for unanimous consent to proceed with the motion today.

The Chair: Well, it takes unanimous consent, obviously. Could you read the motion, Mr. Comartin, and then I will go back to the committee and see, similarly, if the committee wishes to proceed on that?

Mr. Joe Comartin: This is a motion from Mr. Cullen, our critic, moving:

That the Standing Committee on the Environment and Sustainable Development instruct its researcher to produce a briefing in consultation with the office of the Commissioner of the Environment on the Government's response to the Committee's seventh report: *Finding the Energy to Act: Reducing Canada's Greenhouse Gas Emissions*.

The Chair: You will recall, members, that you received a copy of the government's response. I take it the intent of the motion from Mr. Cullen, through Mr. Comartin, is simply to refer that to our researchers and to have them work with the Commissioner of the Environment to provide a response.

Do you wish to waive that, or do you want to consider that in the usual order?

Do I have unanimous consent to deal with that motion?

Mr. Bigras.

[Translation]

Mr. Bernard Bigras: Mr. Chairman, once again, we will not change our way of doing things. I do not think that there has to be a motion before our research assistant can begin to work on the report and the government's response. We have noted the fact that Tim was asked to work on the government's response. I do not want to set a precedent by tabling motions here before this committee, without previous notice. Thus, we can give Tim a work assignment, but I think that we must follow the rules. So it takes 24 hours' notice. In the meantime, Tim could still get to work on this document.

[English]

The Chair: Okay. Do you have that already? All right. Then it will follow the same procedure, Mr. Comartin.

Thank you for that, Mr. Bigras. You're quite right that is the normal process, but I have to take it as a motion because that's the way Mr. Cullen has presented it.

Thank you very much for your patience. We're now back to our witnesses.

Welcome again, Ms. Smith and Mr. Brackett. Who is going to lead off? Do you have an order of presentation, or is one presenting on behalf of two or three?

Ms. Norine Smith (Assistant Deputy Minister, Global Climate Affairs, Department of the Environment): One will be presenting on behalf of three. I believe the committee has a copy of a short presentation. We'll be pleased to take a few minutes to walk through the presentation, if that's the chair's wish.

The Chair: I see heads nodding here. They're not nodding off; they're nodding yes. So if you would like to proceed with that, I think you'll have the committee's full attention.

Ms. Norine Smith: Thank you. Then I'll ask my colleague David Brackett to take us through the presentation.

Mr. David Brackett (Special Advisor, Global Climate Affairs, Department of the Environment): Thank you, Mr. Chairman.

As we begin, I would say that the lead departments for this are Environment Canada and Foreign Affairs Canada operating together, and it is our pleasure to be here together today.

In terms of an outline, the meeting in Montreal is a milestone session. The material is also useful, and was used with respect to the G-8 dialogue meeting that happened earlier this week, in London, on November 1. In the presentation, I will be sharing information on the plans that Canada is making to host the event, the policy challenges we face, and what we hope will be achieved.

Montreal 2005, on slide 3, is a landmark event. We hosted a technical mission from the UNFCCC secretariat—the secretariat to the treaty—earlier this week, and they confirmed that there are already over 5,000 registrations for the event. That's a pace well ahead of previous meetings and one that is putting us on track for the close to 10,000 people expected in Montreal. Of those, 3,000 to 3,500 will be government negotiators and technical specialists, with the remainder being individuals who will be participating in the parallel program, representatives from intergovernmental organiza-

tions, and representatives from more than 650 non-governmental organizations.

In keeping with its commitment to sustainable development, the Government of Canada is determined that the conference should be organized in accordance with good environmental practices. This will embrace everything, including transportation, printing, food supplies, accommodations, conference centre operations, and even the management of the secretariat itself. We have committed to purchasing carbon credits to offset the CO₂ emissions related to the event and getting delegates to and from the event, making the entire United Nations climate change conference in Montreal a carbon-neutral conference.

It is not only the 11th meeting of the Conference of the Parties to the Climate Change Convention, but also the first meeting of the parties to the Kyoto Protocol of that treaty. It is the first meeting of the parties in North America and the first meeting of the parties in an Arctic nation.

The international community is at a critical stage in defining its collective response to climate change. In spite of the significant efforts its implementation requires, the Kyoto Protocol is a first step, but it covers only 35% of global emissions, and the first commitment period ends in 2012.

We hope not only to make the decisions necessary to implement Kyoto, but also to find ways of improving the working of the protocol, as well as the working of the climate change convention itself. In addition, we want countries to discuss the parameters for the launch of discussions on the nature and scope of future global climate change cooperation.

Canada has undertaken very significant diplomatic initiatives and consultations leading up to the conference. In announcing Canada's commitment to host COP 11, Prime Minister Martin highlighted the need for the development of a complete global plan for atmospheric protection—a plan that includes broad participation beyond the 35% of global emissions now covered by Kyoto reduction targets.

To this end, Canada has undertaken an unprecedented global consultation, involving many developing and major developed countries, to discuss what might be possible at Montreal, including possible parameters for a more inclusive and environmentally effective future regime. Minister Dion has dedicated the majority of his time to this consultation over the past six months, as have Canada's ambassador for climate change, Mr. Jacques Bilodeau, and many Canadian officials.

● (1545)

We have now held over 160 bilateral consultations in over 40 countries, hosted several round tables with international experts, and invited 38 countries to meet in Ottawa in late September. The background paper for that meeting was tabled with the committee just now by the parliamentary secretary. We envisage continuing this process in the weeks leading up to the Montreal conference. Indeed, we had a strong delegation at the G-8 dialogue meeting earlier this week in London.

These consultations have highlighted a number of concerns that need to be taken into account and that are related to the urgency for action and concerns about what will happen if there is an international deadlock that forestalls efforts to make progress on a more inclusive and effective future approach.

The scientific consensus is well established. Deep reductions are needed. We need to have innovative strategies for adapting to the inevitable changes. This must be done in a context that pays attention to the poverty alleviation priority for developing countries; that makes best use of technology that will allow us to de-link emissions and economic growth; and that provides for the transformative changes to a low-carbon economy.

The world is doing a number of things. At the G-8 meeting in Gleneagles, climate change was a major theme. There was a consensus that the current science supports the need for action and agreement on a global climate change declaration. There was a plan detailing action on several fronts and in several sectors, including energy-efficient buildings, appliances, and vehicles; developing sectoral strategies; working on cleaner fossil fuels and renewable energy; and increasing research and development commitments.

There are also activities taking place in regional cooperative agreements. In July, Australia, China, India, Japan, the Republic of Korea, and the United States of America launched their Asia-Pacific Partnership on Clean Development and Climate to develop, deploy, and transfer cleaner, more efficient technologies, and to meet national pollution reduction, energy security, and climate change concerns in a manner consistent with the United Nations Framework Convention on Climate Change. I note that this activity was intended to be complementary to, not instead of, work under the Kyoto Protocol.

I've already mentioned Canada's informal preparatory meeting that brought together a representative group of 38 key countries in the climate change debate to discuss preparations for the conference. Moving to the question of what we think is possible at Montreal, the discussions in Ottawa with the 38 countries and the European Union led us to summarize with three "I"s: successful implementation of the commitments under the Kyoto Protocol; improving Kyoto and the climate change convention; and launching a process now to set the direction for innovative future global cooperation. Perhaps we might spend a few minutes on each of the Is.

With respect to the successful implementation of the Kyoto Protocol, we must remember that this is the first meeting of the parties of the Kyoto Protocol. Despite the fact that we have been talking about it for some years, the protocol only entered into force in February of this year. There are a group of decisions, 19 in all, that have been agreed to under the auspices of the convention of the parties and that now need to be formally adopted by this first formal meeting of the parties to the Kyoto Protocol. Those are collectively called the Marrakesh accords, given that the majority were established or agreed to first at the meeting of the conference of the parties in Marrakesh three years ago. They established the operating rules for Kyoto, particularly things like the clean development mechanism and the operations of the terms of the treaty.

We must also talk about successful implementation in terms of industrialized countries demonstrating their commitment to meeting their Kyoto and convention obligations. That includes support for adaptation and support for technology transfer to developing countries.

● (1550)

The second "I" is to improve, and here a principal focus is on improving the operations of the clean development mechanism, one of the innovative features of the Kyoto Protocol, which brings together the sustainable development imperatives of developing countries and the commitment of developed countries.

It is necessary for an active emissions trading market globally and would demonstrate clear evidence of commitment to Kyoto and clear evidence of the global agreement to engage the private sector through innovative market mechanisms in meeting the global climate change challenge.

We need as well to improve implementation through adopting the five-year program of work on adaptation, which derives from the last conference of the parties, in Buenos Aires, a year ago. It was launched there but now needs to be adopted, having been discussed and elaborated in the time since, and we need to make progress on more concrete approaches on technology.

That brings us to the third "I", the innovation, launching a process to set the direction for a global approach to the future. Throughout the course of consultations, Canada has operated looking first at four lines of inquiry, and then, after our initial round of consultations, at six key elements we distilled from the information we received in the consultations and in the discussions with experts. Those six are shown on slide 11. They are the need for any future agreement to be environmentally effective; the need for it to advance the climate change goals in a manner that is supportive of the development goals of developing countries; the need to provide the incentives that will allow broader participation in meeting the climate change objectives; the opportunity to realize the full potential of market-based approaches; to realize of the full potential of technology through increased research and development, but also the deployment of existing technologies to a wider range of countries; and the understanding that irrespective of action to mitigate climate change, there are some things we need to do to adapt to the inevitable changes that are under way.

In Montreal we have an opportunity to signal a commitment to a sustainable future. The meeting in Montreal comes at a critical time in the history of global efforts to address the increasingly serious challenge of climate change. With almost daily evidence from somewhere in the planet of the extent to which global warming is already transforming the functioning of the global ecosystem, of which all life is a part and upon which all life depends, current efforts to address this issue are not enough. More is needed and time is short. It takes years to negotiate, sign, and ratify international climate change instruments, and action must start now to ensure continuity in the international climate change system.

No country can solve the problem of climate change on its own or for itself. A coordinated multilateral response is the only solution to this problem. A new global approach will be challenging to define. Consensus on a coordinated global action plan ultimately requires consensus on a vision of the path forward, which also addresses the challenges of poverty alleviation and human development. We need to make progress now, and for that we need success in Montreal.

Thank you, Chair.

• (1555)

The Chair: Thank you, Mr. Brackett.

Ms. Smith and Ms. Gera, do you wish to add anything to the presentation? Okay.

You've probably followed the committee before. We have 10-minute question and answer segments from each of the parties, and after that cycle, we go to five-minute question and answer segments.

We'll start with Mr. Richardson.

Mr. Lee Richardson (Calgary Centre, CPC): Thank you, Mr. Chair, and thank you to our witnesses for appearing today.

We have had a lot of interest in the upcoming COP 11, and I welcome your appearance today and further involvement of this committee in COP.

I want to begin by referring back to many of the studies and analyses that have been done, including a recent report by this committee, that have concluded that Canada will not achieve its Kyoto targets through domestic emission reductions alone and will likely require substantial investments in international credits. Three weeks ago, the Minister of the Environment stated before this committee that Canada will achieve its goals.

I'm curious as to what you're picking up from other countries, other delegations, and the various 160 bilaterals you just mentioned. What is the perception of other parties regarding Canada's efforts and progress towards achieving our Kyoto commitments?

Ms. Norine Smith: There is a lot of appreciation for the unique challenges that Canada faces, being the only country in the Americas to have ratified the Kyoto Protocol and being a major oil and gas producing nation.

There is a lot of respect for the breadth and depth of the climate change plan that Canada has developed, and there is significant appreciation for the effort that Canada has been putting into preparing for the upcoming meeting in Montreal.

So I think, in a nutshell, the effort that Canada is making both domestically and internationally is seen and recognized and appreciated internationally.

• (1600)

Mr. Lee Richardson: I find that astounding. How does the slow progress we're making towards our goals affect our negotiating position at COP? Do we have any credibility at all?

Ms. Norine Smith: Yes, we have a lot of credibility. As I say, there is appreciation for the effort that Canada is making and a recognition that we certainly have a large task ahead of us, but we are committed to addressing that task with determination.

Mr. Lee Richardson: Do people think we're going to reach our goals, our targets?

Ms. Norine Smith: I haven't asked that question and they haven't answered it.

Mr. Lee Richardson: What do you think?

Ms. Norine Smith: I am an international policy expert, Mr. Richardson, so I really can't comment on that.

Mr. Lee Richardson: Just in that regard, because we've had a lot of evidence presented to this committee that it's very unlikely we will reach our goals, I'm curious about the sorts of penalties involved and how that works.

If, for example, we don't reach our targets, we've been told that we will then be forced in the next round to reach even higher targets. Since the current compliance penalties in the Kyoto Protocol refer to a second Kyoto commitment period, what happens to the Kyoto compliance regime if there is no second Kyoto commitment period that includes binding targets?

Ms. Norine Smith: There are two aspects to that question. First, I'll describe how the compliance regime works. What it obliges parties to do is to make up any shortfall, or any excess emissions might be a better way of phrasing it, make up those excess emissions plus an additional 30%. So for every tonne that we over-emit, we have to make up 1.3 tonnes in a subsequent period.

It is an interesting question to speculate on, and there is no answer as to how that would work in a system where there is no formal international obligation for a second commitment period. There is no answer to that question, but I guess the main thing we're trying to achieve in Montreal is to get a process going that would ensure that there is no void, no gap, in international commitment and a specific framework for international action after the end of the first commitment period in 2012.

The Chair: Mr. Mills.

Mr. Bob Mills (Red Deer, CPC): I would like to thank you for being here as well. I know how difficult some of these questions must be.

I have asked other countries what they thought. I have listened to the speeches of some 120 environment ministers in Buenos Aires and heard what they thought. Their main thing seemed to be to trash the Americans and say Canada talks big but hasn't done much. Our environment auditor general says that for seven years we've been talking a lot and haven't done much, haven't accomplished anything. Obviously our CO₂ increases year by year. The proof is in what you actually accomplish, not in what you say. Obviously, I think we are in serious trouble. I'm not sure that I wouldn't even go so far as to say that the whole Kyoto Protocol is in serious trouble. I think we should start admitting that and then start doing something about it and dealing with climate change honestly, sincerely.

I could get to the broader questions, such as, is the UN the best vehicle? Obviously, we have 190 countries that all are in very different situations and obviously have a terrible record of mismanagement. Whether we talk about Iraq and food for oil or about Rwanda or whatever, they haven't really managed to accomplish much. I've seen and you've seen—and you've worked very hard on behalf of Canadians, and I sincerely mean that—that you come up with a communiqué that is a mishmash of watered down statements that everybody wants to make. Meanwhile, everybody pats themselves on the back and says, aren't we doing something great? Actually, we're not accomplishing a damn thing.

There's the fact that China has 500 coal-fired 1950s technology power plants in the planning stages in central China. There's the fact that by 2012 we will have China, India, the United States, Australia, Mexico, and Brazil representing well over 70% of the emissions, and they're not part of this. We have a minister who came here and said, "You know, really that whole thing about the Asia Pacific partnership is just a big joke. There's nothing in writing. They have no plans. They have no targets, they have nothing."

In reality, I think maybe they have the answer, that if in fact the guys who are the biggest polluters got together and came up with a real serious plan to develop technology such as CO₂ sequestering... Transfer from Fort McMurray, from Brian's area, capture that CO₂ and put it into oil wells in my area, for instance—and capture all of that CO₂. Clean coal technology. Think of the transfer of clean coal technology to China and India, to the U.S., and what that would mean for the environment. We're fiddling around while Rome burns, so to speak. Let's admit that.

Tony Blair himself—and I had the privilege of talking to his chief executive assistant two days ago in detail—says, look, no country is going to let their economy suffer in order to deal with this problem, so let's just be real and let's just come up with a plan.

Canada could be a leader. Canada could do something, because Canada could get the U.S., China, and India to be part of this plan. But it won't be part of Kyoto and carbon trading and the bureaucracy that exists now. It's a big bureaucratic nightmare, a talk shop that is going nowhere.

• (1605)

The Chair: Mr. Mills, I know you want a response to that from the witnesses. I'm going to have to interrupt you right at that point so that we can get it.

Mr. Bob Mills: Solution: would it not be better to develop technology and get that technology transferred to the world, put the real focus on that as opposed to all of these other issues that we tend to get involved with in long discussions?

The Chair: I would like to emphasize, if I may...how would we set the agenda at COP 11 in order to address those kinds of concerns that Mr. Mills and Mr. Richardson have outlined? That's the thrust of what we're trying to establish here.

Ms. Smith, would you like to respond?

Ms. Norine Smith: The Kyoto Protocol has always been recognized as just a first step, and the difference that it, in and of itself—if that's all that ever happened—would make to the advancement of climate change is relatively small. That's why it's

really very important to start thinking about how to move forward from there.

There's been quite a lot of work that has been done by various think tanks and the academic community around the world, and different types of dialogues around the world, about how to take the best of what we have and build on it to find an approach that responds to some of the concerns that various countries are bringing to the table, an approach that might be a lot easier for a much broader range of countries to feel comfortable participating in. So there's the third "I" of wanting to use Montreal as the opportunity to launch a process of discussion that will lead toward bringing those kinds of innovative ideas to the table and hopefully lead, over a number of years, to actually reaching a consensus and agreement on how to move forward from what we have at the moment under the convention and the protocol. That is very much a primary objective for Montreal.

I have a brief comment on technology, and it is simply to say that I would very much agree that, on some of the types of technologies Mr. Mills is mentioning, it is crucially important that they be further developed and significantly invested in, and that ways be found to share those technologies broadly and ensure that they're implemented broadly. It is definitely a track that needs to be pursued with some vigour at the same time.

• (1610)

The Chair: Mr. Mills, we're out of time now.

I'll go on to Mr. Bigras, and I'll come back to Mr. Jean when we come around to our five-minute round.

Mr. Bigras.

[*Translation*]

Mr. Bernard Bigras: Thank you very much, Mr. Brackett, Ms. Smith and Ms. Gera.

First, let me make a comment on a statement you made in response to a question of my colleague Richardson, whereby Canada has a very good image abroad and that Canada's efforts in fighting climate change are praised internationally.

You have certainly not shown the international stakeholders Canada's recent track record in the fight against climate change, because the results, as I see them, are certainly not very good. I see that the federal government is unable to work out an agreement with its provincial partners. In 1997, Europe understood that there must be an agreement with all the stakeholders in the European Union. At that time, 15 member countries of the European Union agreed on a tripartite model for sharing greenhouse gas emissions.

Now Canada has been unable to reach an agreement with its provincial partners in this respect. In my humble opinion, in view of the recent challenge raised by Alberta as well as the failure and blockage of negotiations between Ottawa and Quebec on climate change issues, this is quite indicative of the federal government's inability to honour its international commitments.

That being said, let me draw your attention to the document that you sent to us, and more specifically page 11, which I am really worried about. In reading this document, we must often refer to its final conclusion. What you are telling us, as you repeated in answer to a question from my colleague Mills, is that you hope that Montreal will be a venue for dialogue and “To launch a process to set the direction for a global approach to the future”. Mr. Chairman, it seems that the process has not been launched. I am worried about this.

I am even more worried about the second element: “In Montreal, we need to send a signal that a new kind of agreement is needed for the future”.

What do you mean by a “new kind of agreement”? Do you mean the partnership that will be established as well as the Asia-Pacific partnership?

What do you mean by “launching a new process”? What do you mean by saying that Montreal must be “an important venue for reaching a new kind of agreement that will be needed for the future”? I do not understand. Nonetheless, this much is clear: the agreement is the Kyoto Protocol, and there can be no new agreement other than the Kyoto Protocol. So what do you mean by “a new kind of agreement”?

[English]

Ms. Norine Smith: The Kyoto Protocol sets out a number of very important dimensions for how the international community is going to work together to address climate change. They range from aspects like how we're going to measure our emissions and report our emissions, through to the coverage of gases and how we're going to deal with forestry and agricultural sinks. There are all sorts of things...the creation of the global market, the clean development mechanism, etc. So all sorts of things are in the Kyoto Protocol.

But one thing that becomes a focal point in the protocol is its annex, where the countries of the developed part of the world took on specific emission reduction targets. That one part of the Kyoto Protocol has an expiry date to it, so that by 2012, the annex will no longer have any force and effect. That part, in particular, is where there is a need to open a discussion that will eventually lead to a negotiation about what we are collectively going to do next.

•(1615)

[Translation]

Mr. Bernard Bigras: So, I gather that the new agreement that you are talking about will be for the second period.

In your opinion, what acceptable measures could be taken to ensure that the United States come back to the table as full members of the Kyoto Protocol? Are you using the second reduction period of the Kyoto Protocol, which I call Kyoto II, to ensure that the United States, Japan, Australia, Korea, India and China become members?

We have known each other for quite a while. I know that you travel a great deal and that you meet many international stakeholders.

What have you discussed with the United States up to now? You must be transparent before this committee. Explain to us what you discussed with the United States to get them back to the table. What

concessions are you ready to make to the United States and to the new Asia-Pacific group to get them back to the negotiating table?

[English]

Ms. Norine Smith: We have taken every opportunity that has presented itself, and every opportunity that we have been able to create, to engage in conversations with the United States. There have been many bilateral meetings at all levels within the United States to talk with them about the future of climate change cooperation.

There is complete openness in our conversations with them about Canada's objective of wanting Montreal to be the occasion where we launch a process of discussion including all countries. It would therefore be a process under the convention, or a decision of the conference of the parties to the convention to launch a process, that will lead over a period of time—say, five years, for the sake of argument—to an agreement on the future. It would be during that time that we would gradually build up the type of consensus needed to reach an agreement.

That is the nature and the way in which we, and many, many, many other countries of the world, would like to engage the United States and Australia and others, who are not parties to the Kyoto Protocol, in some form of international cooperation in the future.

What we're not doing—and maybe this will be another important aspect in answering your question—is trying at this meeting to actually define what the nature of future cooperation and future global action on climate change might look like. We're trying to create an agreed forum where all countries of the world would start to talk about that. Up until now, there has been no place for that dialogue in a formal intergovernmental forum.

[Translation]

Mr. Bernard Bigras: You just said that you hope that there will be a large forum in Montreal where the countries can debate the issue once again. Naturally, you hope that the United States and the Asia-Pacific partnership can come back to the table.

In order to continue this dialogue at the Montreal conference, did you, as the hosting country, have to accept that the agreement signed within the Asia-Pacific partnership be discussed during the Montreal conference? Will it be possible, in that forum, to debate this Asia-Pacific agreement at the table? Have you provided for this?

•(1620)

[English]

Mr. David Brackett: Thank you, Chair.

Certainly the opportunity for any country, or group of countries, to report to the conference of the parties on any activities they're taking is there. As Madam Smith has said, the intent at Montreal is to launch a discussion, not to close the discussion, but to launch the discussion with the guidance of the six elements that we've spoken about, and to launch it by proposing that those six elements, which include a strong emphasis on technology, should be progressed as a group, rather than simply as one element at a time.

So in terms of an agenda, the Montreal meeting does have room for discussion of technology partnership, but even more than that, Canada is providing a very extensive program of parallel events and activities outside the formal meeting. In that particular group of parallel events, an entire theme is dedicated to showcasing solutions, including a number of the technology initiatives.

The Chair: All right. Thank you.

Mr. Bigras, we're out of time on that now.

We'll now go to Mr. McGuinty for 10 minutes, and then we'll try to fill in some of the other members.

Mr. David McGuinty (Ottawa South, Lib.): Thank you, Mr. Chairman.

Thank you very much, folks, for joining us this afternoon.

I'd like to pick up on a few comments that were made by some of my colleagues. The first was I think a comment made by Mr. Richardson about the enforceability of this agreement.

I don't think, and I put it to you, that this agreement is any different from any other multilateral environmental agreement. Enforceability is a challenge because no nation state comes to the table with clean hands, which has been a long—in fact a 90-year-old—international public law maxim. The difference between this agreement and others is that this agreement will actually move to monetize carbon. That's why, like they say on *Sesame Street*, this agreement is not quite like the others. So I wanted to make sure that the committee and viewers understood, first of all, about this question of enforceability.

The second thing I want to raise is just to pick up on the good point made by Mr. Bigras about whether or not this meeting would in fact censure debate. I've never heard of any such possibility in international meetings. I don't think Canada is into censoring debate.

And I was very pleased, Mr. Brackett, to hear that in fact all countries and all efforts to reduce greenhouse gases will be welcomed at the international meeting and that all examples of moving forward progressively will be welcomed at the international meeting. I'm hoping to get a little bit of feedback from you on that question as well.

I would hope that some of the things Canada could showcase there, as host for this meeting, might include a few of these. I think we should showcase our green plan. Unlike the opposition parties, I don't believe in fictitious baselines. I'd like to see a meaningful comparison of our green plan against other nation states' green plans. And I have repeatedly asked every single witness who has appeared before this committee since this government was elected into minority power to point to a single country with a better plan than ours, and not one single witness has been able to come forward with a plan that is better and more comprehensive than Canada's. So I would hope we would showcase that and the difficulties we went through to achieve that plan.

I think we should showcase the fact that Canada is such a mature western industrialized democracy that we admit that we built our economy on the back of the atmosphere and that we're going to do something about it, as a very rich and privileged country, leading the

pack in the G-20. I would hope that would be a theme that would be forthcoming at the meeting in Montreal.

But at the same time, like the Japanese and like most other western European states, including the United Kingdom, whose prime minister's adviser Mr. Mills selectively quoted...the United Kingdom is not going to commit economic hari-kari, nor are we. We're going to move to reduce greenhouse gases in a responsible way as we grow our economy. I would hope we get that message out, so we can bridge the divide between the United States, India, China, Brazil, and emerging and developing countries and those who signed on.

I hope we can get the message out that it's not a bureaucratic, nightmarish talk shop. Some members feel it is a bureaucratic, nightmarish talk shop, as they fly from destination to destination and participate in such bureaucratic, nightmarish talk shops, whether it is Buenos Aires or London. I would hope we could get that message out, that international negotiations of this kind are very important.

Furthermore, I think there are a number of things we should be profiling. I think we should be profiling Canada's conservation efforts, the expansion of our parks system, our Canadian Environmental Protection Act, the agricultural implications we've identified. I think we should be showcasing Canada's leadership role on eco-efficiency standards and metrics in the world. I think we should be showcasing the Office of the Commissioner of the Environment and Sustainable Development. There are only three such offices in the world, and we led the pack in creating such an office.

I think we should be talking about the process of engagement we have pursued, which is second to none worldwide, bringing together disparate industrial sectors, NGOs, labour groups, religious groups, government, non-government. This is something we've pursued for 10 years, which is simply not out there in my 20 years of international experience—and not simply international experience flying from meeting to meeting—on the ground, in developing countries, advising these countries how to move forward.

Much as it frustrates some members, Mr. Chairman—I know it frustrates some members, particularly the Bloc Québécois—to have federal-provincial agreements that show the federation works, we should put it on the table for viewers to understand. But I think we should showcase the federal-provincial agreements we've achieved, like the agreement between the federal government and Manitoba on a national grid, for example, to expand hydro power into Ontario as we deal with the energy crisis in Ontario.

I think there's so much good news—technologies, fuel cells, hybrids, sequestration. Mr. Mills, you're absolutely right. Canada is leading the way. We should be selling sequestration technology worldwide.

• (1625)

Furthermore, there's Canada's influence on righting the domestic and international emissions trading system, which is apparently the subject of continuous ridicule by opposition parties who don't understand that this is going to be the single largest securities market in the world—according to Deutsche Bank, not me—once it is fully mature and out there in the international marketplace.

Canada has so much to share, Mr. Chairman and intervenors this afternoon. I think we can do good at this meeting while doing well.

And I was very pleased to hear you say, Mr. Brackett, that we're in the solutions business and there will be an opportunity here for Canadian providers of solutions to sell their products.

I'm very excited about the meeting, and I would like to put those comments to you and get your reactions.

Ms. Norine Smith: Thank you.

One of the things that Canada has been doing in preparation for this conference that is quite unique amongst the efforts of host countries is developing a very extensive program of parallel events. The formal United Nations conference has a well-defined agenda that has been built up over the many years that this process has been in place, so it is perhaps not the best forum for Canada to showcase and elaborate on a lot of the things you have just been mentioning, Mr. McGuinty.

What we have developed is about eight or nine days of an extensive parallel program that will be covering very much the sorts of things you've just been describing. There will be a full week of events dealing with various aspects of the science, how it's impacting, with a particular focus on how it's impacting Canada, and within that, how it's affecting Canada's north, Canada's climate-sensitive sectors. Really, pretty well every sector has some aspect of climate sensitivity to it. We have within that program also been ensuring that there's a particular emphasis on the impact of climate change on aboriginal ways of life and on the ecosystems of Canada.

There's another aspect of the program that is focusing on the technology and the economic opportunity, focusing on the carbon market, how it works, how the carbon market provides opportunity for assisting in the development effort around the world.

There will be a three-day meeting of world mayors, where they'll be sharing the experiences of cities, both in dealing with the impacts of climate change and in preparing city agendas to address their own contributions to climate change.

There will be a conference that is being hosted by the premiers of Quebec and Manitoba, inviting their counterparts from the United States and the subnational governments around the world to talk about how they deal with climate change at that order of government. That will also be in conjunction with leading chief executive officers from some of the leading companies in the area of sustainable investment and sustainable business practices.

There's an extensive program involving youth that will be going on also, for I think almost an entire week. Many of these things have some events that have already been happening in the lead-up to it, plus we've been working very closely with and supporting the environmental non-governmental organizations to assist them to mobilize the international NGO community and to put together a very broad-ranging program in Montreal.

• (1630)

So through all of that there will be a very extensive opportunity to discuss and showcase what Canada is doing and how Canada is affected by climate change, and to ensure that there's a really rich

exchange among Canadians from all parts of our economy and society with their counterparts from around the world.

Mr. David McGuinty: A final question, Mr. Chair.

I understand this meeting is going to receive thousands of guests and delegates. Is that right? Do you have any idea of approximately how many people will be joining us?

Mr. David Brackett: When the UN visited earlier this week they said they already had 5,000 registrations, and with their models of overall attendance, that would lead them to suggest we will be in the neighbourhood of 10,000 participants, of whom 3,000 to 3,500 would be formal delegates within the Palais des congrès, within the UN precinct as it were, and 6,000 to 7,000 would be other participants.

Mr. David McGuinty: Obviously this is going to generate quite an economic impact on the city of Montreal, isn't it?

Mr. David Brackett: Undoubtedly. The current estimates are well over \$50 million in terms of economic benefits in two weeks.

Mr. David McGuinty: Thank you very much.

The Chair: Thank you, Mr. McGuinty.

Mr. Comartin, for 10 minutes.

Mr. Joe Comartin: Thank you, Mr. Chair.

I was actually thinking I'd spend my first seven minutes as Mr. McGuinty did, going through all the reasons why we should not be proud of our experience, but let me just deal with the meeting itself as opposed to the peripheral issues.

Is it expected by the United Nations, by the international community, that Canada is going to be taking a leading role at this convention in terms of the discussions that go on, the debates that go on? Are we expected to lead that debate?

• (1635)

Ms. Norine Smith: As the president of the meeting, it is very much expected that Canada would be leading in terms of setting out the expectations and ensuring the successful outcome of the conference.

Canada will be playing two roles effectively at this meeting. Minister Dion will be leading the entire conference on behalf of the global effort, as president of the conference, and Minister Pettigrew will be Canada's head of delegation and the lead in pursuing Canada's interests in this meeting.

To give you just one concrete example of the sort of expectation there is on Canada, I'll move to a different one of the "I"s, the very first "I" on implement. There is a very strong expectation that the president will ensure that the Marrakesh accords are successfully adopted so that the operational underpinning of the Kyoto Protocol is successfully put in place.

If I could draw an analogy, the Marrakesh accords are rather like the regulations that go along with the legislation, when you consider the protocol itself to be like legislation. So it's really important to get those regulations formally in place.

Mr. Joe Comartin: In terms of our lack of international credibility, whether it's the Suzuki foundation, the OECD, or our own Commissioner of the Environment and Sustainable Development, have we partnered with other countries that have greater credibility to provide leadership?

Ms. Norine Smith: We're actively partnering with many countries, in fact. We're working very closely with pretty well all of the major countries of the world to talk with them about what their expectations are for Montreal, what they would like to see achieved, so that we can find out what the likely areas of consensus are and know early where we think some of the difficult sticking points are that will require Canada as president to find the path forward that gets the job done to everybody's mutual satisfaction.

Mr. Joe Comartin: Just so we're clear, we're not expecting any agreement coming out of Montreal. We're expecting debate and discussion, but we're not expecting to meet any of the objectives. It's just going to be a discussion of these objectives.

Ms. Norine Smith: No, that's not correct. We're expecting quite a bit to come out of this conference. We're expecting that there will be quite a bit more coming out of this conference than we have been able to achieve for the last number of years at this meeting for a variety of circumstances.

Just to reiterate very quickly the list that was in the presentation, the first and most fundamental outcome is the successful passage of the Marrakesh accords.

Mr. Joe Comartin: But you already have that agreement. Your understanding is that there are enough votes around the globe that we're going to get the Marrakesh agreement signed.

Ms. Norine Smith: It's not over until the fat lady sings. Also, it's a consensus process. This is a forum in which it only takes one country to say that it objects, in order to keep something from moving forward.

It's always prudent to be cautious on saying that anything is a slam dunk. We'll wait until we see it happen, but with respect to the Marrakesh accords, I can say there is a strong momentum for moving forward.

● (1640)

Mr. Joe Comartin: Would you see the conference as a failure if the Marrakesh accords are not adopted?

Ms. Norine Smith: That will be the very first benchmark against which Canada's presidency will be judged, yes.

Mr. Joe Comartin: So that's a yes?

Ms. Norine Smith: It is the primary outcome from the meeting. It's the core outcome that needs to be achieved at this meeting.

Mr. Joe Comartin: What's the next one?

Ms. Norine Smith: The next one is a move in the area of improving the operation under the protocol and the convention. There are two areas of primary interest. One is strengthening the operation and administration of the clean development mechanism, and the second is launching the five-year program of work on adaptation and ensuring there is sufficient funding behind that program of work to get started. Those are both big agenda items for which there are many different perspectives on what would constitute the right path forward.

And the third big area is the area that is under the third "I" of innovation, and that is the launching of the process to begin to work toward the next framework for international cooperation on climate change. It may sound like a modest objective to say that we want to launch a process of discussion, but the reality is that there has been a complete unwillingness in this forum to start to talk about the future.

Up until now, it has been impossible to think about talking about the future. With the coming into force of the Kyoto Protocol earlier this year, and with that major milestone in this whole quite lengthy process of international cooperation on climate change, it sort of jiggled things loose a little bit; it began to turn more countries' attention to what happens next. It will take a long time to reach consensus on exactly what will happen next, but if we are successful in launching that process of discussion at Montreal, that would be a very major achievement.

Mr. Joe Comartin: Do you have any fear that the nations that have signed on to the Asia Pacific partnership have an agenda to actively thwart the goals we've set for this conference?

Ms. Norine Smith: On the contrary, the Asia Pacific partnership document is very clear that it is intended to complement the Kyoto Protocol. Many of the countries that are part of the partnership are among the countries that have a very keen interest in the longer-term framework for climate change cooperation.

Mr. Joe Comartin: We had comments from both the environment minister in Australia and the prime minister about Kyoto being a failure, not going down that road at all, and to a great extent the Montreal conference is going to be pursuing actively what we set for Kyoto goals in the second phase.

I know what the agreement says...that a partnership says. Without any targets, without any timetable, it seems to be a sham. Then you hear these comments from their environment minister and their prime minister. Certainly you hear some of the comments coming from our neighbours to the south. You have to question what agenda they're going to be bringing to that conference, other than to try to destroy it.

● (1645)

Ms. Norine Smith: I have two quick comments. First, with respect to the Asia Pacific partnership, the member countries are actively working to begin to articulate what they concretely will do under that partnership. I think it's important to be very fair to those countries and allow them the time to elaborate concretely on how they will operationalize their intent. I understand they'll be having the first meeting of the partnership to do that in January, or early in the new year in any event.

On the Kyoto Protocol and what it provides us in terms of a framework for moving forward, the kinds of comments about how little it provides are very fair from the point of view of how much it's going to bump the world off an emission trajectory, an emission trend line.

It's always been understood that the Kyoto Protocol was a first step and much more was going to be needed. So I think it's important to think about the comments that sometimes end up in headlines in the context of the Kyoto Protocol as a first step.

The Chair: Thank you, Ms. Smith.

Thank you, Mr. Comartin.

Mr. Jean.

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): Thank you, Mr. Chair.

I would appreciate it if you could keep your answers short and sweet, because I only have so much time—as much as possible to answer the question.

How urgent do you believe it is to reduce the greenhouse gas emissions?

Ms. Norine Smith: I take my advice from the scientists who say it is very urgent.

Mr. Brian Jean: How do you think we're going to attain any kind of credibility, first of all, but even attain the reduction of greenhouse gas emissions without China, the U.S., and India on board in this effort?

Ms. Norine Smith: Canada is looking for a decision under the convention to move forward on a broad-based dialogue exactly for that reason; it's very important that there be much broader participation in global cooperation on climate change.

Mr. Brian Jean: I understand the Marrakesh accords have to be unanimous. Is that correct?

Ms. Norine Smith: Yes. Every decision in this body has to be unanimous...or there has to be consensus. We could get into the technicalities of the difference between unanimous and consensus, but....

Mr. Brian Jean: A unanimous consensus is fine.

My understanding, though, is that the developing countries have in essence said that if we don't meet our targets, they're not even going to play ball with us. They're not going to try to do anything until we in essence show our hand and do what we set out to do.

Ms. Norine Smith: The developing world has long held the position that it's important for the developed countries to act first and to show leadership. They expect that the obligations under the Kyoto Protocol will be met.

Mr. Brian Jean: I'll get back to my first question, which you never answered, in relation to credibility. How do we have any credibility? I listened to Mr. McGuinty and shook my head, and I would have laughed if it wasn't such a serious issue. We in Canada have not reached any point of credibility with any international body, at least not to my mind. No country could look at what we've done and say we've done anything, because we haven't done anything I can see at this stage except talk and waste a lot of money. We're far above the 1990 threshold limits, let alone where we're supposed to be.

How can we get any credibility, and how can we expect any countries, especially developing countries that have laid out specifically that they are not going to do anything until we do something...? How can we even show up at this meeting with a straight face?

• (1650)

Ms. Norine Smith: As I said earlier, the world watched very closely the nature of the debate that took place in Canada around the

ratification of the Kyoto Protocol. We're very pleased that Canada took the step to ratify the protocol, that we have put in place a very comprehensive plan to achieve it, that we now have legislation in place, that we're working to implement that legislation through the necessary regulatory steps, etc. That goes a long way, and we are working hard on it.

Mr. Brian Jean: I understand. As a developing country, I'd be pretty happy to hear all of this as well, because it's a transfer of wealth and technology from the richer countries to the poorer countries, and they don't have to do anything until we show that we're going to do something.

Now, my understanding is that in Buenos Aires we reported to the world that we are doing great things, and that equals the one-tonne challenge. Is that not correct, that's what we reported as our progress?

And for those people listening, that's not a weight control program.

Ms. Norine Smith: We undoubtedly would have told the international community about the one-tonne challenge because it is part of Canada's plan, but we would have gone on and been more comprehensive in describing what we're doing.

Mr. Brian Jean: I would suggest that the answer you gave there is the same answer here. The one-tonne challenge is all the government has done, and in essence it has not succeeded in doing anything.

Results speak louder than words. We've spent a lot of money and a lot of time—your time and your colleagues' time—and we have not as a country done anything to brag about at all. In fact, I would suggest the entire reversal of that situation is what we are showing the world as far as our credibility goes. I don't know how they can even look at us with any kind of admiration, not with respect to what we say but rather to what we do, because obviously actions speak louder than words. We have not done anything, and we continue to do nothing.

I would really like to hear your response in relation to that.

The Chair: We're out of time now.

Ms. Smith.

Ms. Norine Smith: Over the past year there have been quite a number of very significant steps that have been taken: the issuance of the climate change plan, the passing of legislation, and the conclusion of... Well, "conclusion" is not quite the right word because dialogue and consultations with industry for the implementation of the large final emitter system continue, but many concrete steps have been taken in the past year to implement the climate change plan. There's still a lot left to do in Canada, you're quite right about that, but there has been a lot that's taken place.

The Chair: Thank you. We're out of time there.

Mr. Bigras.

[*Translation*]

Mr. Bernard Bigras: Thank you, Mr. Chairman.

Let me come back to my questions about the Asia-Pacific agreement. I was a bit surprised to learn your interpretation of this agreement in answer to a question by my colleague Comartin. I will not quote you but did you not say that, in your opinion, the Asia-Pacific agreement complements the Kyoto Protocol. Have I understood this correctly?

I find it hard to understand that Canada considers the Asia-Pacific agreement as a complement to the Kyoto Protocol, when I read the statements made by the Australian Minister for the Environment, who justified the agreement by saying that they know that the Kyoto Protocol fails to protect climate, and that we need something better. In fact, it is as if the countries that signed the Asia-Pacific agreement considered it to be better than the Kyoto Protocol.

How can you tell us today that this is just a complement to the Kyoto Protocol, while the countries that belong to that group consider that the protocol is a failure?

• (1655)

[English]

Ms. Norine Smith: Because the document says that itself. It's written in black and white in the partnership document itself.

[Translation]

Mr. Bernard Bigras: That may be so, but you know very well that what really counts is the way that the document is being interpreted. Now, those who drafted the document interpret it as being better than the Kyoto Protocol and clearly state that the protocol has been a failure up to now.

What worries me, regarding the Montreal Conference—and let me be clear—is that Canada is giving as much importance to countries that did not have the courage to ratify the Kyoto Protocol and that have begun a second phase of negotiations for the post-Kyoto period. Canada is hosting this conference, and it gives these countries more importance and seems to presume that it can impose a new future direction, even though there are countries that have decided to assume their responsibilities and join with the international consensus.

Could you tell us for sure that Canada, as the host and chair of this conference, will not give as much importance to countries that did not have the courage to ratify the Kyoto Protocol as it does to the countries that did have the courage to do so? Basically, if this is not the case, we will have a system in which it will be pointless to sign international agreements, and where it will be pointless to ratify the Kyoto Protocol, because those who have not signed have as much weight around the table as those who have not joined the Conference of Parties.

[English]

Ms. Norine Smith: I must say, I'm not entirely sure what the question was.

[Translation]

Mr. Bernard Bigras: Let me try to say this more clearly. Who is allowed to take part in the negotiation of the second reduction period, which I call Kyoto II? Do you have to be a member that has ratified the Kyoto Protocol, yes or no?

[English]

Ms. Norine Smith: No. The protocol is under the convention.

What we are trying to achieve in Montreal is the launch of a process of convention parties that includes all of the 189 nations and would lead to an agreement on how we would move forward collectively.

What we are not trying to define in Montreal is how that would embrace the Kyoto Protocol, add on to the Kyoto Protocol, amend the Kyoto Protocol, run in parallel to the Kyoto Protocol. It could be any and all of those things at the same time. What will be important is to ensure that there is substantive action that engages a large number of countries in taking action.

Perhaps one technical point that I might mention is that under the Kyoto Protocol there is a specific clause, article 3.9, that is operative at this particular meeting. It applies to the year 2005 and obliges the beginning of consideration of future commitments under the protocol. So that is one track that will be launched in Montreal.

In addition, we are looking to launch the broader convention track of discussion amongst all parties.

The Chair: Members of the committee, I wonder if I could ask a question of the witness.

I think many of the questions have attempted to ease into this area of improving the tools that were part of the Kyoto implementation plan. We were told, when we had witnesses before us, that it was extremely important for there to be a clarification of the international emissions trading regime and the architecture, as Mr. McGuinty and others have described, of putting a value on the reduction of carbon.

Under that improving section of your agenda, is it problematic for you to negotiate the tools under the credit regime when you have a domestic credit regime, an international credit regime, and closed credit regimes? In other words, that toolbox has a whole bunch of different spanners, and we're not sure which one is going to fit in terms of the reduction of carbon. Will it be difficult for you to address that at the conference when we haven't quite rounded out how we're going to approach that issue ourselves?

My second part of that question is, how do you get that on the agenda? It seems to me that this is a major item, along with such things as sequestering and those other tools. I would think the emissions credit regime is the nub of how we are going, in an international way, to really meet the challenge.

Could you respond to that please, Ms. Smith?

•(1700)

Ms. Norine Smith: The global emissions trading regime can be thought of as having three parts to it. One part is called the clean development mechanism. That's the way in which developed countries can invest in projects in a developing country, to reduce greenhouse gas emissions in that developing country and thereby generate credits that we can use against our own domestic obligations. A second part is called joint implementation, which is a way in which there can be trading between the industrialized world and the economies in transition—effectively, the eastern European countries. The third part is just called emissions trading, which is that anybody who holds an emissions unit can buy and sell those units; it's just pure and simple trading.

There are two aspects that will be under consideration in Montreal. The first is the strengthening of the administration and operation of the clean development mechanism. It's been recognized that this mechanism has the potential to be a very significant way for developed countries to invest in the sustainable development process in the developing world, to help them get access to clean environmental technologies that reduce greenhouse gas emissions. It doesn't have the administrative capacity, and it has a bit of excess red tape. There will be a lot of priority placed on addressing that issue, and I think we will have some considerable success in moving that aspect forward.

The second very important aspect, and it is a corollary of the adoption of the Marrakesh accords, is that once those accords are adopted, the next step is to set up some of the key administrative structures that those accords authorize. One example of that is what's called the joint implementation supervisory committee, which will be the body of parties that will supervise the implementation of that aspect of the international market. That is not a contentious negotiating issue. The biggest challenge there is to ensure that all the different regions of the world are putting forward very strong candidates who have the support of their governments to put the time and effort into their participation on those committees.

Those are the two things that are going to happen.

•(1705)

The Chair: Okay. Thank you, Ms. Smith.

Mr. McGuinty.

Mr. David McGuinty: Thanks, Mr. Chairman.

For the witnesses, can I pick up on a point made by the Conservative Party a moment ago?

If I can summarize, I thought I heard the Conservative Party member say this. He didn't use these words; they're my words. Canada should not let itself be extorted by developing countries that are claiming they will not move until Canada moves first. We should protect against this, I heard, because we should not be too keen on transferring wealth and technology to developing countries and emerging economies. This would not be a good thing for Canada.

Mr. Chair, I would suggest there's the rub. There is the basic difference between the government position and the Conservative position.

In fact, the CDM and the JI mechanisms that Ms. Smith has spoken about as part of the deal are entirely a matter that should be of great concern and of great support from the Conservative Party because they are market mechanisms.

Mr. Chairman, we're going to harness the power of the market to be able to achieve meaningful reductions, and we're going to do it in partnership with developing countries and emerging economies.

I wanted to correct that for the record. I think the position of the government is that we believe as a government that we should be facilitating the transfer of some wealth and technology to developing countries and emerging economies.

If we don't, Mr. Chairman, the damndest thing about that is there is only one atmosphere. It's not as if we have a Canadian atmosphere and a Botswana atmosphere.

I would like to go back to the U.S. position. My colleague from the Bloc has repeatedly raised the U.S. position and his sincere concern about the U.S. position now in going forward.

Can you talk a little more about how, for example, your state-by-state show and tell for American states, Canadian provinces, Mexican states, German landers, and other places around the world will be able to showcase that even despite the federal government and the United States position on Kyoto, the American administration is offering all kinds of tax rebates and tax credits? State-by-state movement on climate change action and greenhouse gas reduction is all over the United States. Could you give us an idea of how that's going to help build momentum in the United States, as we showcase what's going on at a state-by-state and for that matter a city-by-city level?

Ms. Norine Smith: On the parallel event for the provincial-state level and the one for mayors of major cities from around the world, both of those events are by invitation only. They will have a public component, but they are also opportunities for mayors, governors, and premiers to talk among themselves and share experiences, opportunities, challenges, etc.

As I mentioned earlier, the provinces of Quebec and Manitoba are hosting the day and a half for government leaders, for that order of government, from around the world. I know something about the nature of that event but not in very much detail.

I know, though, that one of the things they and the mayors very much want to do is to be able to bring the messages and the conclusions from their meeting into the broader discussion. They will be issuing some form of statement or declaration to communicate their outcomes.

Mr. David McGuinty: I would pick up on another theme, Mr. Chairman, and that is the framing of the greenhouse gas challenge. I do agree with Mr. Jean's comment that the one-tonne challenge is a difficult concept for Canadians to understand.

Last Saturday, in my own riding, I launched a project called Project Porchlight. We're distributing 30,000 low-energy compact fluorescent light bulbs door to door, without charge, paid for by corporate sponsors as part of an NGO...and all kinds of different groups are behind it.

I would make a plea that we move the messaging away from climate change and greenhouse gas reductions, because I don't believe Rick Mercer has broken through on television yet. I'd rather see Rick Mercer on television talking about energy consumption and energy pricing, and explaining to Canadians three simple measures that they can pursue in a meaningful, immediate way in order to make a difference. One is to use the CF bulbs, another is to change, for example, to low-flow shower heads. These are things that consumers are thirsting for. They're looking for practical examples of how they can make a difference in energy in terms of overall energy consumption.

I would make the plea because I think the United Kingdom has done the best job, from what I've seen, in messaging to its people. It does not speak about climate change. It does not speak about greenhouse gases. It speaks about energy consumption and energy conservation, because I think it's language that most citizens globally can understand. If we frame the climate change challenge as an energy challenge, we may be more successful in getting that kind of buy-in from the citizenry in this country and elsewhere.

It's simply a plea I put to you for the meeting.

• (1710)

The Chair: We're just going to have to leave it at that, because we're quite a bit over the time limit, Mr. McGuinty. I know five minutes goes very quickly.

Mr. Comartin, for five minutes, please.

Mr. Joe Comartin: I won't use that much time, Mr. Chair, but thank you.

I don't know who can answer this, Ms. Smith or Mr. Brackett. Do we have a figure for how much this conference is going to cost Canada and the provincial governments? We've heard the figure on how much money it's going to bring in, but how much are we actually paying?

Mr. David Brackett: I don't have the full figures right in front of me. The cost of the conference being held here in Canada is a matter for a host country agreement between Canada and the United Nations Climate Change Secretariat. It is to pay the difference between the cost of hosting the meeting in Canada rather than at the seat of the secretariat in Bonn, to provide the facilities for 10,000 people, and so on and so forth. I believe that's in the neighbourhood of \$30 million, although I would undertake to provide specific numbers if wished, through the committee.

There are additional costs to exhibitors and to individual companies, and to provinces and territories that are establishing parallel events, but those costs are not known to us generally.

There are additional provisions made for security in Montreal, and those will be known as we get right on the doorstep of the event and the decisions are taken as to the level of security that is warranted. Those figures are governed by agreements that are in place between the federal government and the provincial and municipal governments with respect to the hosting of large meetings.

Mr. Joe Comartin: Does Canada pay for those security costs exclusively, or are they shared with the United Nations?

Mr. David Brackett: Canada pays the security costs for having the meeting here in Canada.

Mr. Joe Comartin: I would ask you to provide those figures as soon as they are available to the committee.

And, Mr. Chair, I know this is somewhat presumptuous because I'm not the full-time member on this committee, but I think it would be appropriate for the committee to think of inviting these witnesses back after the conference is over, sometime early in the new year—assuming that we're still here early in the new year—and to ask for a report.

The Chair: Thank you, Mr. Comartin.

Mr. Bigras, you just wanted to shoehorn something in at the end there.

[*Translation*]

Mr. Bernard Bigras: Mr. Comartin made me think of something. There was litigation between the City of Montreal and the federal government to decide who would pay for security. The City of Montreal made some representations regarding this matter. I would like to know if there has been a decision in this case.

• (1715)

[*English*]

The Chair: Mr. Bigras, that's consistent with what Mr. Brackett just said.

You don't have that information, but you could supply that, Mr. Brackett.

Mr. David Brackett: Certainly, Chair, I can simply say that my understanding is that there is agreement between our logistics team and the City of Montreal and the Province of Quebec under the framework that's been established for the hosting of major events.

The Chair: Okay. Thank you, Mr. Brackett.

Mr. Mills.

Mr. Bob Mills: I want to start off by addressing Mr. McGuinty. He does live in Planet Ottawa and he is isolated from the rest of the country. I am very proud to be a Canadian, that's why I'm here, so anything I say, please don't take it and translate it into anything else.

The reality is this. Many people, yourself included, it appears, think that we're pristine—clear skies, clean water, drink any water anywhere in the country—an environmental paradise full of parks and babbling brooks and fish jumping, and so on. Many foreigners think of Canada that way as well, in that idyllic world that you watch on *Sesame Street*. The reality is that at any given time there are over 300 boil water warnings. There's a lot of water that you can't drink in this country. There are three cities that dump raw sewage into the ocean. There are all kinds of contaminated sites. There's leachate leaking out of landfills across this country into adjacent properties, rivers, lakes, and streams. There are any number of other environmental problems, as identified by the environment commissioner, over seven years of reporting. The OECD rates us 28th out of 29, both in 1992 and now again this year.

So sometimes the reality is a little different from what you might like it to be, looking from here. If you don't travel and you don't see some of these problems, then obviously you may have every right to believe what you believe.

Wouldn't it be better to simply tell the world, look, we do have our problems like you do? I think this has been alluded to before. We cannot reach these targets. They were unachievable targets. That's the reality, and many other countries have admitted that, including Japan and others, and others have opted out because they knew they couldn't....

Wouldn't it be better to say this? We have a real vision. We want to cooperate with the world. We want to develop technologies that we can transfer to the world. We're just being totally upfront here about where we're coming from and what we want to do.

The buying of foreign carbon credits in that wishy carbon-trading world out there...again, asking the British, "What is the price of carbon today?" Well, on the European market it was £20-plus yesterday, two days ago.... That was what the market was for carbon, if in fact it was a commodity that was readily traded. Naturally the Deutsche Bank wants it to be a commodity. What business are they in? They're bankers. They want all the commodities they can to be traded.

So here we are going into this trading system when in reality what we really need to do is develop the technologies, involve the major polluters—those that will be 70% of the emissions—and get on with solving the problem, with doing something about it.

I mentioned some of the technologies. There are some we don't even know about yet. Wouldn't that be the focus that we as Canadians would want? When you ask Canadians about that transfer of dollars, they glaze over and can't quite imagine how that would work anyway. I'm just so worried that coming out of this we're going to look even weaker internationally. In fact, they're going to put some pins in the balloons that Mr. McGuinty floated earlier. That's not good for us as Canadians, and it certainly doesn't show this vision that I believe we need to have.

There is climate change occurring. We need to do something. Would it not be better to take the technological route, put that emphasis on it, instead of having some of these airy-fairy ideas on this carbon trading and so on?

Convince me that carbon trading is the way to go.

• (1720)

Ms. Norine Smith: Do I have a choice?

I would like to make a number of comments, but just responding to your very last statement, I don't think this is a question of choosing one way, another way, or some other third way; it is a question of doing a number of things at the same time.

Yes, we need to pursue with a lot of vigour the technological advances you're mentioning. We also need to do what we can as a rich developed country to help the developing world get access to the technologies they need in order to get on a path of sustainable economic development. The clean development mechanism is a very innovative way to make those sorts of investments in developing

countries that are very specifically, by definition, focused on bringing clean, low-emitting technologies into those countries.

One final comment is that I am not aware of any country that has ratified the Kyoto Protocol that has said it is not going to meet its targeted obligation and that it is no longer trying to do so.

The Chair: There are just 30 seconds left, Mr. Richardson.

Mr. Lee Richardson: Thank you, Mr. Chair.

I wanted to have one question. We had hoped we might have two sessions with you.

Can you give us in a nutshell what your impression is of where this committee might fit into Canada's participation in COP 11? Is there a role here, or where would we represent our constituents?

Mr. David Brackett: Mr. Chair, the Canadian delegation certainly has been opened for very broad participation. We hope and expect it will include significant participation from parliamentarians. The opportunity and invitation has, I believe, been extended to the committee to participate in the Canadian delegation.

The facilities are being made available in order that the entire Canadian delegation, with very broad representation—now over 100 representatives from provinces and territories, representatives from non-government groups, aboriginal groups, and industry associations—would all be briefed and able to take part in the deliberations of the Canadian delegation on a daily basis.

Mr. Lee Richardson: We have yet to see such invitations, so I wanted to clarify that.

Mr. Chair, have we received an invitation, as Mr. Brackett suggests?

The Chair: I don't know. The clerk tells me we're expecting that invitation.

Mr. Lee Richardson: Thank you.

The Chair: Thank you very much. That brings us to the conclusion of our proceedings. I appreciate your being here.

I think you can get a feeling from the committee that there is a great deal of frustration with respect to how COP 11 is going to be the platform on which we position some of the issues we're very concerned about. We'll look forward to hearing from time to time if there are any updates on the strategy we are going to be taking, in addition to what you have informed us today, and the tactics we're going to be applying to meet our commitments, not only under COP 11 but under Kyoto, and to be consistent with what we say—to match what we say with what we do. So we appreciate your being here.

To the members of the committee, it was my understanding that we were going to have another opportunity to have witnesses on COP 11. I've just been informed that isn't going to take place next Tuesday.

Pursuant to the point raised by Mr. Comartin on behalf of Mr. Cullen and the matter of processing the government's response—we've all received a copy of that response—I'm going to ask research to try to give us just a little bit of a strategy to review that report. My suggestion is that if we put it on the agenda for Tuesday, at least we'll have some sort of briefing. They haven't had a lot of time to deal with it, but since we have that window... Oh, we're not here next week. I thought we were going to be here next Tuesday. I'm so disappointed.

Pursuant to that discussion, let's try to have that as quickly as we can, maybe in the next week. We'll just get that out there, because I think it's important that we discuss the government's response to our report.

Sorry about that. I must be in a different world. I believe they do want us back in the House.

Thank you. Thank you to our witnesses.

If there is nothing else before the chair, we'll adjourn.

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