



House of Commons
CANADA

Standing Committee on Natural Resources

RNNR • NUMBER 030 • 1st SESSION • 39th PARLIAMENT

EVIDENCE

Monday, January 29, 2007

—
Chair

Mr. Lee Richardson

Also available on the Parliament of Canada Web Site at the following address:

<http://www.parl.gc.ca>

Standing Committee on Natural Resources

Monday, January 29, 2007

•(1535)

[English]

The Chair (Mr. Lee Richardson (Calgary Centre, CPC)): Ladies and gentlemen, we will come to order.

First of all, welcome back. I hope everyone enjoyed a good break.

We have business ahead of us. First of all, we have a motion that we're going to deal with very shortly, and then we will look at the cumulative efforts of our previous meetings, a great report on the oil sands. There were some typos and other errors in the first draft, so before we get to that, we're simply going to replace it with a clean draft in both languages. I'll have the clerk do that when we get to that point on the agenda.

For now, I would like to welcome Mr. Gourde to the committee. He is the new parliamentary secretary for natural resources, and he will be replacing Mr. Simard.

I understand there will also be some changes with the representation from the Liberal Party, and that will occur on Wednesday.

Mr. Tonks, is that your understanding?

Mr. Alan Tonks (York South—Weston, Lib.): That's my understanding, Mr. Chairman.

The Chair: Okay. So we will welcome a new member from the Liberal Party at that time.

Without further ado, we have first on the agenda a motion from Madame DeBellefeuille, if you would like to proceed.

[Translation]

Mrs. Claude DeBellefeuille (Beauharnois—Salaberry, BQ): Thank you, Mr. Chairman.

I would like to take this opportunity to wish all of my colleagues as well as the members of the House staff a happy and healthy New Year.

Like many Quebecers and Canadians, I was quite surprised to learn that there had been a meeting of representatives from the petroleum industry, Natural Resources Canada, the American Department of Energy, the Department of Energy of Alberta, as well as observers from the Mexican Energy Secretariat, on January 24 and 25, 2006, in Houston, in order to discuss the development of the Alberta oil sands.

I was also surprised to read that the governments, in particular that of Canada, were even suggesting simplifying the project approval

process, and discussing increasing the production of oil sands fivefold. After having spent three months studying this matter with you, I find it strange that this document was not tabled and that this information was not conveyed to us before the broadcasting of the CBC/Radio-Canada documentary.

I wonder how it came to pass that the Minister of Natural Resources or the deputy ministers omitted sending this important information to the parliamentarians around this table, who worked for three months on the oil sands file in a serious and rigorous manner.

Does the government really want to develop the oil sands on this scale? I find it somewhat inconceivable that the Conservative government is considering, or seems to be accepting, having production go from one million to five million barrels of oil per day in order to satisfy American energy needs, without having even first set greenhouse gas reduction targets for Canada.

I listened to all of the witnesses who came before the committee last fall. Together we noted the environmental and social challenges related to the accelerated development of the oil sands. If we were to question various witnesses whose names appear in the motion, they could enlighten us on certain points and describe the circumstances which led to the preparation of this report.

My colleagues around the table probably want to know what is going on as much as I do, and to finalize this matter. The information we would be given could even be integrated into the report. It would benefit everyone. It would be unfortunate for us to conclude our report and our study of the oil sands without having taken the trouble to obtain information from the people listed in the motion, and a description of the situation. I cannot pretend that I was very happy to learn about this through you and through the media. I imagine that when he came here, Deputy Minister Brown already had that information. I don't know if he knowingly omitted to tell us, or whether this was an oversight on his part.

If my colleagues around the table are in agreement, we could settle this matter quite quickly and convene witnesses, as stipulated in the motion.

I don't know if there are any questions on this, Mr. Chairman.

•(1540)

[English]

The Chair: Thank you very much, Madame DeBellefeuille. That is much clearer. I must say, I've had some difficulty in terms of where you want to go with this motion.

In response to a couple of things you just said, for further clarification, I understand that you would like to delay the completion of our study and our report until you have had the benefit of these additional witnesses. Is that essentially what you would like to do? You want to hold up the report until we hear from more witnesses?

[*Translation*]

Mrs. Claude DeBellefeuille: In my opinion, the information the witnesses will be giving us could be important with regard to the thrust of our report. We could perhaps make a decision concerning the appearance of witnesses and determine afterward whether or not we want to include in the testimony in the report. I think we are talking about fairly crucial information. Earlier, in the House of Commons, the interpretation unfortunately did not allow me to fully understand the response of the Minister of Natural Resources to my question, which was whether, yes or no, there had been an agreement to increase the oil sands production from one to five million barrels per day. This would allow us to clarify this matter. It is mentioned in the report. I have read this report. It remains to be seen whether there are misprints in it, as you say. This agreement is not necessarily discussed in it. I think it is important that we obtain these clarifications.

[*English*]

The Chair: Okay. Before I take any questions, I just want a further clarification for the committee.

Some of these witnesses have already appeared. I guess we could always call them back. I think it wasn't their fault that they didn't answer questions that weren't asked. The report in question has been available, I understand, on the Internet for over a year—or almost a year, I guess. Probably the committee could have asked those questions of some of the witnesses who have previously appeared. Whether it's fair to ask them back I guess we'll leave to the discretion of the committee.

With that, I think you've certainly opened grounds for debate, and I'm sure there are members who would like to express their point of view.

The first hand I saw was Monsieur Ouellet, and then we'll ask the clerk to develop a speakers list from that.

Monsieur Ouellet.

[*Translation*]

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Thank you, Mr. Chairman.

First, I would like to comment on what you just said. You said that we had not necessarily put the right questions to the people who already came to testify before us.

My reply to that would be that things have become clearer since then. How could we at that time ask questions on things we were not aware of? We did not then know that the United States had asked for five million barrels per day. We did not know that there had been a meeting with the previous government.

We want to know whether the new government has developed a position. In fact, this would help us to prepare our report. It is absolutely crucial that we be made aware of the position of the

government of the time and that we know how this was perceived and received.

In my opinion, we need to know more. On what basis was this production to be increased? I am sure that the people who are mentioned here knew this, but we did not. We would like to know this before we prepare our report, so as not to look like people who prepare a report without being aware of the main development agreement, or who report on things about which they were not well informed. Obviously, meeting with some of these people again—people to whom we could perhaps put questions that would be more relevant for our report—will allow us to prepare a more complete and less naive report.

We have to be apprised of the plans of the previous government, because it did have plans. They were not discussed. Now we see that the new government has also committed itself in this regard. So where are we on this issue?

Finally, we the members of the Bloc Québécois, of the Liberal Party and of the Conservative Party, and even more so the members of the New Democratic Party, were not aware of certain things. How could we prepare a report that was not naive if we did not have basic information on this matter?

In my opinion, the request is amply justified. We don't want to torment these witnesses; we simply want to be able to talk to them in order to find out more about this.

• (1545)

[*English*]

The Chair: Yes. I concur absolutely and understand what it is you're saying and what you're after.

My only point at the outset was to perhaps remove any impression that previous witnesses were purposely trying to hide something and not disclose. That was my only point in raising it. It was my understanding that this information was generally known. I have read the report. It has been on the Internet since March 6 of last year.

I guess what I'm saying, and I say this respectfully, is just because you didn't know it isn't to suggest that it wasn't common knowledge elsewhere. There wasn't a secret meeting, and it's been on the Internet for almost a year. That's my only point. I don't disregard what you're saying at all, or your wanting to have more information. I'm just saying I don't believe there was any intent, by any witness, to not provide information that was asked, and the fact that we didn't ask the question was the only reason they weren't forthcoming in that regard. As I say, it was public information, and it has been for ten months.

Madame DeBellefeuille, on that point.

[*Translation*]

Mrs. Claude DeBellefeuille: Mr. Chairman, as you know, many documents are published on the Internet. We all have our field of expertise and we all have limited time to read documents. And so, when we welcome important witnesses such as deputy ministers or ministers, we expect that in their statements, they will provide information to parliamentarians on central points. I don't think this information is unimportant, nor that it can be taken lightly.

I have been a member of Parliament for one year now. If we took a survey, I don't think that we would find that many of my colleagues found the document on the Internet. I wonder why the deputy ministers who came here and to whom we put questions on the increase in oil production did not in their statements inform the parliamentarians gathered here around this table of this central point.

You will understand, in light of the quantity of documents circulating on the Internet, that we cannot depend on that to be properly informed of the latest developments. It is up to the witnesses when they feel it is pertinent... Unless you think that this news that governments intend to increase fivefold the production of barrels of oil in Alberta is not relevant, I think it was up to them to inform us. I am not necessarily claiming that all witnesses should share all the results of their research and tell us all about their lives, but this is central, important information. I think that this is something that cannot be set aside when one is studying the oil sands, Mr. Chairman.

Mr. Christian Ouellet: Mr. Chairman, I would like to add something.

In your statement, you said that we should have known this, we should have seen it on the Internet. How is it that no one told us? We held 29 meetings and no one ever mentioned this, neither those who are for it nor those who oppose it. So it seems to me that we were not the only ones who were not aware of this.

[*English*]

The Chair: Precisely my point. I wasn't in any way meaning to be disrespectful of your comment. I was simply saying that because you didn't know it, it was not an indication that it wasn't public knowledge. They have all kinds of information, and if they're not asked the question, I don't think it's fair to suggest that they would offer up that specific point among thousands of others that you didn't ask.

In any event, I don't think we're going anywhere with that point; I just wanted to say that I thought there was a suggestion there that some of the witnesses may have withheld information that they should have given you, but I don't know how they could have known you wanted that information. There were several references by several witnesses about potential increases in development and barrels per day throughout.

In any event, it's not a big point; I just didn't want to malign any witness for withholding information they weren't even asked about.

With that, I think we should carry on.

Mr. Tonks had a question, and then Mr. Gourde.

Mr. Alan Tonks: Mr. Chairman, we're at a really important part of this committee's deliberations. The deliberation is now with respect to a draft report, and at no time was I made aware that this oil sands expert group existed. We had lots of experts before the committee, and we had an opportunity to engage them with respect to what was germane to the very important issues that were emerging from the development, both the rate of development and the nature of the pollution issues, the greenhouse gas issues, the development issues, the social issues. We had a really excellent opportunity.

My concern at this time—and I appreciate the spirit within which the motion is put forward—is we now have an expert group that apparently has a report that doesn't appear to be sanctioned by the government at this point. It has received a lot of media attention.

What I would suggest, Mr. Chairman, is that we table this motion. None of us have seen the draft report. We don't know whether there is any relevance to this expert group. It isn't a paper of the previous government, nor is it of this government, as I am aware. It is something that is floated out there. Why don't we table this motion, pending the discussion of the report, and if issues emerge from the discussion of the draft report, then we will revisit this motion and invite whoever was the author of the report on behalf of this energy resource group that are experts.

At this time, I question very seriously whether we should delay in order to have the ministers, both past and present, deputy ministers, without having had the opportunity to read the draft report and to make a decision whether the fivefold increase that was thrown out there is germane to the discussion we're going to be involved in, or whether it is even germane to whether there is a denouement that is going to be requested that we make recommendations that would scale down the development of the oil sands.

I guess what I'm saying to the committee is why would we not take the draft report—at this point we want to deal with it as expeditiously as possible—and make a decision as we are proceeding over the next two or three meetings whether it would be advantageous and helpful to have people in to talk about a report that may or may not be driving an acceleration of the oil sands when the committee itself hasn't arrived at whether that is a recommendation they would support.

So I think it is premature. I'm not trying to evade the substance and ignore the spirit, but I would just suggest that it is premature. If it is relevant, we'll be able to make a more accurate decision as we go along on whether we want the minister in—indeed, whether we want the ministers, past and present, to be in for any future questions, never mind just on the issue of this expert panel of sorts, this oil sands experts group.

My motion would be that we table the motion we have before us, that we engage the draft report, and at some point we revisit whether we wish to have these people come to answer questions, because it may be that this report isn't as relevant as we think it is at this point.

● (1550)

The Chair: You have put us in a bit of difficulty here. If you have moved the motion to table we have to initially deal with the motion to table. So before we even have an opportunity to debate the motion that's on the table, we have to go to your motion to not even deal with it today. Is that what you are intending?

Mr. Alan Tonks: Well, that wasn't my intent. My intent was to couple my remarks. The next item of business we have is the report. My intent was to get on with the report—and I had hoped the committee would see that—and that we make a subsequent decision as to whether the first motion, asking for this experts group and the ministers past and present to come, and whether, having had a chance now to see the report....

We haven't even seen the draft report, Mr. Chairman—the real draft report. So I just think it's premature.

I wasn't trying to use a procedural ruse or trick to evade the substance of this motion. It was more in keeping with whether we couple the substance of the motion with the draft report and then collectively say it is relevant with respect to this experts' report that said there should be an acceleration. They might have had research done that would put forward something with which we could identify in our draft report and make a recommendation. I don't think we know that at this point.

I was just attempting to allow us to get into the real issue before us, which is the draft report, and then to couple that in two or three meetings with a conscious and collective decision that, yes, a point has been made, and yes, we should have these people in and ask them, because it is related to the draft report we have.

At this point I don't think the committee can say that there is that relationship at all.

• (1555)

The Chair: Yes. I guess the difficulty I have is that if you move to table, then procedurally we have to drop discussion of the previous motion and deal with the tabling motion.

From your comments, I take it that this is really a matter of debate on the initial motion, and that you're not moving to table quite yet.

Mr. Alan Tonks: If it's helpful—

The Chair: It would be helpful.

Mr. Alan Tonks: —then I would withdraw that in order that there could be a fuller discussion.

The Chair: Let us consider that a point of debate, and we can get back to that as we hear other speakers.

So we are going to continue consideration of the motion of Madame DeBellefeuille, and if at some point you want to move a motion to table, then we'll come back to you, Mr. Tonks.

I appreciate that, because I think there are voices on the committee that wish to be heard and there will be some question as to whether this is even relevant to the previous report. This is quite independent and separate, as I see it.

Be that as it may, we're discussing Madame DeBellefeuille's motion. We have next on the speakers list Monsieur Gourde.

[*Translation*]

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière): Thank you, Mr. Chairman.

I want to congratulate Ms. DeBellefeuille for her good work. Since she began sitting on the Standing Committee on Natural Resources, I have heard nothing but good things.

For my part, this is my first day on the committee and I hope to be up to the challenge.

I also understand Mr. Tonks' position; I believe it is legitimate. However, so that both parties can arrive at a consensus and although I believe this motion to be important, I think that there are too many witnesses. I would like to move an amendment to

Ms. DeBellefeuille's motion so that we only convene as witnesses the Minister of Natural Resources, the Minister of the Environment, the former Minister of the Environment, the Honourable Stéphane Dion, and the former Minister of Natural Resources, the Honourable John McCallum.

I think that that would be sufficient to allow us to debate this topic. This occurred under two governments, and the negotiations took place under the former government. I therefore think that it would be important to hear these witnesses, who would explain what happened.

That is the proposal I am making to you. I don't know if you'll accept it, but that is our position on the government side.

[*English*]

The Chair: Thank you.

I should intervene here and say that we have had some discussion with regard to calling former ministers before Parliament or before a committee to respond to matters that occurred when they were ministers. I think there is considerable precedent in this regard. They can't be obliged to attend. The clerk advises and my own research suggests that they can be invited to come but they're not obliged to come.

I just leave that with you. We do have a former minister here who might shed some light on it, but I don't need to ask him what his answer would be.

In any event, I take it that we do have an amendment to the motion. For the benefit of the clerk and the members, the original motion suggested that the committee would request an appearance by the Minister of Industry, the former Minister of Industry, and representatives of Natural Resources Canada. Those references would be deleted. Otherwise, the motion would remain the same.

Is that correct, Mr. Gourde?

Mr. Jacques Gourde: Yes.

The Chair: We are now obliged to consider the amendment before us, which reads as follows:

That the Committee requests as soon as possible that: the Minister of Natural Resources, the Minister of the Environment, the former minister of the environment, the Hon. Stéphane Dion, and the former minister of natural resources, the Hon. John McCallum, be invited to describe the circumstances that led to the Oil Sands Expert Group report issued after the meeting attended by representatives....

And so on.

We are now going to hear comments on that amendment.

Madame DeBellefeuille.

• (1600)

[*Translation*]

Mrs. Claude DeBellefeuille: I thank Mr. Gourde for his openness, but I cannot accept an amendment to my motion. I could not support that amendment.

I am quite surprised, Mr. Chairman, to hear what I am hearing today. By minimizing the fact that we were not informed, the government, both the former and the current one, is encouraging a fivefold increase in the production and extraction of oil from the Alberta oil sands. What really makes me think that we are heading in that direction is that the current Minister of Natural Resources is even considering resorting to the use of nuclear energy to accelerate the development of the oil sands. The minister even said in a quote reported in last January eighteenth's edition of the *Calgary Herald* that he thought that production could be accelerated in the near future to 4 or 5 million barrels per day and that nuclear energy could be used to achieve that.

I think that if everyone in the former government and in the current government agrees to say that nothing was hidden in this and that everything is clear, it would be important that all of the witnesses mentioned come before the committee to provide us with the necessary information for our report. I received the report from the clerk last Friday at 4:00 p.m. I spent Sunday reading it, Mr. Chairman, and I can already tell you—even though I think Mr. Tonks' intentions are good—that I do not think that this draft report is totally different. I read it and in what I read no mention is made of a production of 5 million barrels per day, but rather of 3 to 3.5 million barrels per day. There is no information on this task force, and no mention is made of meeting 25% of the United States' oil consumption needs. And yet, I think it would be important to mention that. This is not random, unimportant information, it is a central piece of information on the oil sands file. We are talking about a rapid acceleration that would see production go from one million barrels to five million barrels per day. I think that Mr. Tonks will agree with me that this is no mean feat and that, especially, this is a central point that must be included in our report.

And so I am asking for the support of my Liberal colleagues, my NDP colleague and my Conservative colleagues. None of us has anything to lose. If no one hid anything, it is entirely to our advantage as a committee to increase our credibility and that of our report, which is what will happen if we convene people here who will be able to tell us whether it is true that when they were in power they encouraged the accelerated development of the oil sands. Those who are in power will also be able to tell us whether that is true and how they intend to accomplish this. The people in the best position to tell us are those who were in power before and those who are in power now. So I think that all of the people I mention in my motion are important. I am flabbergasted to hear that in the eyes of some of our colleagues this is not a central point in our report.

Unfortunately, Mr. Gourde, in spite of your openness, I cannot accept your amendment. I encourage you to reconsider your position since, as our chairman said so well, no information was intentionally hidden. If that is the case, let us convene the witnesses so that they can inform us of the direction they intend to take in the development of the oil sands. This is a central question, Mr. Chairman, and not some random detail.

[English]

The Chair: Thank you.

For further debate on the amendment, I have Mr. St. Amand on the list.

When you put your hand up, Mr. St. Amand, was it to speak to the amendment or was it to speak to the main motion ?

• (1605)

Mr. Lloyd St. Amand (Brant, Lib.): To the main motion.

The Chair: All right. Let's restrict this for the moment to a debate on the amendment.

Monsieur Gourde.

[Translation]

Mr. Jacques Gourde: Thank you, Ms. DeBellefeuille. I would like to clarify my request. Much is being made of a CBC/Radio-Canada report based on allegations. I think that this is, rather, a matter of political direction. I think that the witnesses I mentioned would shed light on this situation for us. This would prevent a lot of people from having to come here, it being a given that we can always change our minds later if we feel it is necessary. With the testimony of the witnesses I have proposed, we will be able to understand the political orientation of the previous government and that which it may have given rise to. Personally, I would support your motion, if you would accept my amendment. That is what I wanted to say.

[English]

The Chair: Ms. Bell.

Ms. Catherine Bell (Vancouver Island North, NDP): Thank you. It's great to be back in this new year.

I understand deleting the current Minister of the Environment if our intention is to find out the—

The Chair: That was not the motion. For correction, the deletions would be the Minister of Industry, the former Minister of Industry, and representatives of the department.

Ms. Catherine Bell: Okay, so we're not deleting the Minister of the Environment?

The Chair: No.

Ms. Catherine Bell: I'm sorry, I missed that one.

So it's the Minister of Industry that we're deleting?

The Chair: It's "the Minister of Industry, the former minister of industry, and representatives of Natural Resources Canada".

Ms. Catherine Bell: Sorry, I crossed the wrong one off.

Was the current Minister of the Environment at this meeting then? I just wonder what the purpose is. If they're going to describe the circumstances that led to the oil sands expert group report, wouldn't it be people who were there? Why delete people who were there and leave people who weren't there? That's my question. Otherwise, I support the motion, and I can support the deletions if I get an adequate response.

The Chair: I think the committee could ask Monsieur Gourde to explain his rationale...or the mover of the original motion might be more appropriate.

[Translation]

Mr. Jacques Gourde: The amendment makes a presumption about political orientation. All of this is happening in the wake of a CBC/Radio-Canada report. Personally, I have never heard of this situation. Perhaps it is simply because it has never come up. According to me, the list of witnesses I am submitting will allow us to shed light on the situation. It would be amply sufficient to be apprised of the position of the previous government and that of the current one. If later we feel it is opportune we can convene others, but currently I think that with our four witnesses we will be able to answer that question.

[English]

The Chair: Monsieur St. Amand, did you want to speak to the amendment now?

Mr. Lloyd St. Amand: Thank you, Mr. Chair.

Frankly, as a matter of conscience, I can't responsibly vote with respect to the amendment or the original motion without at an absolute minimum having seen this expert group's report. I have every confidence in the veracity of what you've said, Mr. Chair, that this report has been available since March 6. That may well be, but I haven't seen it. It may be that the report itself will clearly describe the circumstances that led to the report being issued. In the absence of actually seeing this report, I can't responsibly vote on the motion or the amendment to the motion.

I would rather proceed, if I may, Mr. Chair, on the basis that we review the draft report of our committee. As I understand the rules, prior to actually voting in favour of this report being tabled in the House, we have the prerogative, as a committee, to resubmit certain witnesses who have already testified, or in fact to call additional witnesses. With the greatest respect, I think that is the preferred way to handle it.

• (1610)

The Chair: Thank you, sir.

Mr. Harris, do you have some light on the scene?

Mr. Richard Harris (Cariboo—Prince George, CPC): I hope so, Mr. Chairman.

I want to address Mr. Gourde's amendment.

Mr. Gourde did not make just an arbitrary amendment. I'm sure he did it to ensure that people directly involved in this meeting and ministries directly involved in it would be the ones to come and bring testimony before this committee. Clearly that would include the environment ministry, past and present, and the Minister of Natural Resources, both past and present. There is no indication whatsoever that the Minister of Industry, past or present, would be a part of this particular meeting, and that, of course, was the purpose of Mr. Gourde's amendment. Clearly if we want to be direct in our questioning, we should be questioning those people who were directly involved in it, through our decision to attend the meeting and put forward subjects of discussion.

That is my support for the amendment that's been put forward. I think the reasons for the amendment are evident. I want to point out that it wasn't arbitrarily picked out of the sky. There was good reason for it, and I would trust that my colleagues could see that.

Mr. Chairman, I think it's important that we perhaps read into the record a pertinent portion of the executive summary. With your permission and the committee's permission, I would like to do that.

The Chair: Mr. Harris, you are referring to the executive summary of what?

Mr. Richard Harris: It is the executive summary of the oil sands experts group workshop.

The Chair: Do you have it in front of you?

Mr. Richard Harris: I have it in front of me. I think there are three paragraphs in the introduction that are most pertinent to the conversation we're having.

The Chair: All right. Carry on.

Mr. Richard Harris: My voice is cracking a bit. It's not out of emotion; it's just that I have a sore throat. So bear with me, please. I think it's important that this be in the record.

This is the executive summary from the oil sands experts group workshop, Houston, Texas, January 2006. I'll start with the introduction—and I'll provide the hard copy:

President Bush, Prime Minister Martin and President Fox officially announced the Security and Prosperity Partnership of North America (SPP) agreement in March 2005. The energy activities of the SPP encompass a trilateral effort among Mexico, the United States and Canada, to create a sustainable energy economy for North America. The Canadian oil sands are one of the world's largest hydrocarbon resources and will be a significant contributor to energy supply and security for the continent. As such, the three countries agreed to collaborate through the SPP on the sustainable development of the oil sands resources and an ad hoc Oil Sands Experts Group was formed that includes the U.S., Canadian and Alberta Government representatives.

The first deliverable for the Group consisted of the following: "By January 2006, building on joint discussions with key stakeholders and scientific experts, issue a report that discusses the mid- to long-term aspects of the oil sands product market development and the infrastructure and refinery implications for increased oil sands market penetration". To meet this deliverable, the Group convened a workshop in Houston, Texas, on January 24-25, 2006, that was jointly sponsored by the U.S. Department of Energy (USDOE) and Natural Resources Canada (NRCan). The Alberta Department of Energy, (ADOE) also participated in the workshop planning and delivery. Representatives from Mexico's Secretariat of Energy participated as observers. This report summarizes the results of the workshop discussions.

The third paragraph is one that is indeed important:

The goal of the workshop was: "To identify and develop options to address the infrastructure, market access and market capacity issues in North America associated with the value-added development in Canada of the oil sands". The workshop brought together experts representing the oil sands industry, refiners, marketers, pipeline companies, and government.

Delegates participated in the following working groups to examine the challenges associated with oil sands market development and propose potential actions:

- Upgrading & Refining
- Kicking the Natural Gas Habit
- Markets
- Pipeline Infrastructure

The most important challenges and proposed actions are summarized in the following sections.

We then go into the rest of the executive summary, which I think is indeed important, but these are the pertinent points.

I want to just point out, too, that by inviting ministers, we're going to hold them responsible. Ministers make the decisions, not the bureaucrats, so I think that's important to consider as well.

Mr. Chairman, I've read into the minutes of this meeting the things that I think are important about this meeting. I've also reiterated, I think very succinctly, the rationale for Monsieur Gourde's amendment, which I think is appropriate, considering that nowhere in this exercise were Industry Canada ministers, former or present, involved in any way whatsoever.

● (1615)

The Chair: That's very good. Thank you for that.

Is there any further debate on the amendment?

Mr. St. Amand.

Mr. Lloyd St. Amand: With respect to the list of proposed invitees, with the election having been held on January 23, 2006, let me just guess for a moment that the current Minister of Natural Resources is going to come here and say "I don't know why I'm even here, I wasn't appointed until February 6", as a for instance. The Minister of Industry, if we decide to get him, will say the same thing. Are we talking about Ms. Ambrose or Mr. Baird, neither of whom was surely appointed?

What is this all about? Why are we talking about government ministers coming to talk about an experts' report from a year ago when they weren't even appointed yet? I don't get it.

The Chair: Mr. Harris, did you want to comment on that?

Mr. Richard Harris: To respond to that, I think it's unfair to presuppose what the minister may or may not say. We are dealing directly in the area of the Minister of Natural Resources and of the Minister of the Environment, current and past, and I would think it would be most valuable to have the present ministers here to give an insight or opinion on the subject of the meeting under discussion. We shouldn't presuppose that they're going to cop out and say "I wasn't there". That may have happened in previous governments, but in the current government, I think you'll find that ministers want to be pretty forthright in what they say and what they do. I think we should appreciate that and certainly invite them here to play a valuable role in this.

The Chair: Madame DeBellefeuille, did you want to comment on that? It was your motion. We are speaking on the amendment, but I think Mr. St. Amand asked a question that may be more applicable to your original motion. Do you want to comment briefly on that?

[*Translation*]

Mrs. Claude DeBellefeuille: Thank you. Yes.

Very quickly, Mr. St. Amand, I want to say that the Minister of Natural Resources, when he takes the helm of his department, cannot simply sweep away everything that happened previously. Staff members from the Department of Natural Resources took part in the meeting, and that is noted clearly in the report. And so I'm certain that the current Minister of Natural Resources will be able to answer our questions on the direction he intends to take with regard to the accelerated development of the oil sands.

Since my colleague Mr. Harris was generous enough to read us a passage from the minutes, I would in turn like to take this opportunity, with your permission, Mr. Chairman, to read a short passage which may encourage Mr. St. Amand to support my motion.

This excerpt is taken from the chapter entitled "Potential Actions". I apologize for my English, as I'm going to read it in that language.

[*English*]

Governments are encouraged to streamline the regulatory approval process and better manage the risk to both pipeline and energy projects. Canadian governments have already gone a long way to coordinating and streamlining the environmental and regulatory approvals, but more needs to be done.

● (1620)

[*Translation*]

I think that we all be able to benefit from hearing the witnesses named in my motion and that no one here thinks otherwise. Once again, I appreciate the openness of my colleagues from the other parties. I believe, nevertheless, contrary to them, that it is important that we hear Mr. Emerson, who was Minister of Industry at the time, and the current minister, Mr. Bernier, since the former directed that department and the latter is directing it now. Both of them must indicate their position with regard to the development of the oil industry, in particular the accelerated development of the oil sands.

You will understand that I am quite surprised this afternoon that so much time is been spent debating a motion which simply aims to shed light on a matter. And if the information contained in the report is so self-evident, why hesitate to hear the witnesses? Perhaps we will only need 20 minutes or so to hear our witnesses and obtain the necessary information.

Barring that, I think that we will be depriving ourselves of important information which could bring greater credibility to our report, and I'm quite surprised to note the reluctance of certain members of the committee.

A voice: One last round, Mr. Chairman?

The Chair: Yes.

Mr. Gourde.

Mr. Jacques Gourde: Thank you, Mrs. DeBellefeuille, but you are still talking about a presumed report on the accelerated development of the oil sands, and I think that those who support my amendment will help us to shed light on this matter. We are still hearing about presumed facts, and I think that the ministers will be able to tell us what really happened.

I simply believe that my amendment would allow us to break this impasse, and I would like you to give me your support.

Mrs. Claude DeBellefeuille: With all due respect to Mr. Gourde, this is not a matter of presuming that the development of the oil sands would be accelerated, since I have before me a quote from the Minister of Natural Resources, which I can table with the committee. He refers to extracting up to four and even five million barrels per day of oil from the oil sands.

One can discern on the part of the Minister of Natural Resources a desire to encourage this accelerated development. If that is not the case, he will have the opportunity of telling us when we hear him, but I don't think that you can claim that I am presuming anything, Mr. Gourde. There are enough indications and I have enough documents to allow me to state that there is an intent to accelerate development. As to the number of millions of barrels, we will be able to determine that with the help of all of the witnesses.

[English]

The Chair: Mr. Tonks, we are on the amendment here.

Mr. Alan Tonks: I appreciate that, and I appreciate Mr. Harris's intercession with respect to that preamble to the report.

I want to reiterate, in case there's a difference of opinion with respect to why we are attempting to understand the nature of the motion and what it is attempting to do, that to my mind there are two issues. One, was there a rationale presented in the report, which would be part of our report, that would reflect on our recommendations? Whether we agree to accelerate in a sustainable way the development of the oil sands as part of a continental policy or a North American policy, that's up to the committee to decide. Second, does that rationale drive government policy?

So there are two issues, one related to what went into it under the previous government and one related to how it relates to policy development in this government.

Mr. Chairman, if we are having those people come in, then those are the questions that are part of this debate of the draft report. The only position I had suggested was that until we have the draft report before us, we won't know to ask and to then engage those people who can answer those questions.

That said, let's get on with it. I would only suggest one additional witness who you may wish to have come in. The Province of Alberta is absolutely fundamental, just as the Province of Quebec would be if it were an issue with respect to the James Bay development or whatever it might happen to be. I suggest that we add the appropriate government officials from Alberta. If we want to understand the rationale from those discussions, they were part of those discussions in that workshop, as alluded to in the report.

So that would be my additional motion.

● (1625)

The Chair: Perhaps we could just get back to the motion at hand. The motion is that certain people be invited to describe the circumstances that led to the report. I think we've heard pretty clearly what the circumstances were. In any event, we're now discussing an amendment to delete some of the proposed witnesses. That is the question before us.

Is there any further debate on Mr. Gourde's amendment?

Mr. Allen.

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Chair, I'm inclined to support the amendment, and for a couple of different reasons. I've read the draft report, and one thing that strikes me about it is that there are lots of "ifs"—if production gets here, if this gets here. Before we make any recommendations in this report, one thing we could have is context as to what some people think in terms of where we're going with this and what may be the best case, worst case, and most probable case with regard to development. It would seem to me that this group that was set up could possibly shed some light on that one thing.

Second, what was the idea behind setting up the security and prosperity partnership? When the ad hoc group of oil sands experts was set up, what was the political will to set it up then, and is the

political will of these two new ministers still there to have that group in place in the long term? If it is, are they doing something that could be counter to what we would recommend as a committee?

Thank you.

The Chair: Thank you, Mr. Allen.

On the amendment, Monsieur Ouellet.

[Translation]

Mr. Christian Ouellet: Thank you, Mr. Chairman.

With regard to the amendment, Mr. Gourde has presented his point of view. He believes that we have heard everyone and that it is no longer necessary to continue. That would be a normal position for him to take.

The fact remains that we, that is to say the other members of the committee, do not consider that we have heard everyone we need to hear. We don't intend to spend another year on this. That is not what we are asking for. If one counts the names on the list, there are only six or seven people who would come to testify. I reiterate: we have already held 29 hearings, so could we hold one or two more to hear these key witnesses? This has a direct bearing on our report. Whether we do this before or after is a matter of the chicken or the egg.

In the final analysis, we want to shed light on the position of those who were close to this decision. I believe that it is important that we meet with every one of those people.

[English]

The Chair: Thank you.

I have heard a call for the question. The question is on the amendment, and the amendment is essentially to delete from the original motion the Minister of Industry, the former Minister of Industry, and representatives of Natural Resources Canada.

Is everyone clear on what the amendment is? I take it there is a consensus on clarity.

(Amendment agreed to)

● (1630)

The Chair: We will now return to the original motion. The original motion will now read:

That the committee request as soon as possible that the Minister of Natural Resources, the Minister of the Environment, the former Minister of the Environment, and the former Minister of Natural Resources be invited to describe the circumstances...

And so on.

We'll resume debate on the amended motion.

Mr. Tonks.

Mr. Alan Tonks: Thank you, Mr. Chairman.

With respect to my previous comments, in fairness to the Province of Alberta, which also attended the workshop, and which had input into it that would be germane to the discussions, I would request that the committee support inviting the appropriate officials from the province to appear before the committee.

The Chair: Excuse me. I just wanted to see who those relevant ones would be, if it said in the business that Mr. Harris mentioned. It would be the Alberta Department of Energy? Was that your request?

Mr. Alan Tonks: That would be the request.

The Chair: Somebody from that department might also appear before the committee.

Mr. Alan Tonks: That's right, Mr. Chairman.

The Chair: So you propose an amendment to add "and representatives from the Alberta Department of Energy"?

Mr. Alan Tonks: That would be my amendment, Mr. Chairman.

The Chair: That amendment is seconded by Mr. Harris. We are now in debate on a second amendment, to add to those lists representatives, as requested, from the Alberta Department of Energy.

Is there any debate on this?

(Amendment agreed to)

The Chair: We again revert to the original motion. The original motion now reads: That this committee request as soon as possible that the Minister of Natural Resources, the Minister of the Environment, the former Minister of the Environment, the former Minister of Natural Resources and representatives of the Alberta Department of Energy be invited to describe....

And so on.

Is there any further debate? I have a call for the question.

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

The Chair: We will instruct the clerk to extend those invitations to the parties so designated to appear before the committee, at their earliest convenience.

Is that your intention, Madame DeBellefeuille?

[*Translation*]

Mrs. Claude DeBellefeuille: Yes, so that we can proceed with our report. I think that the sooner we can do this, the better.

[*English*]

The Chair: Okay.

[*Translation*]

Mrs. Claude DeBellefeuille: I expect that at our next meeting, we could meet with a few of these people.

[*English*]

The Chair: Very well, then, that will be done.

We will move on to the next question. We are now going to go in camera, since the clerk advises me that the next motion is to be dealt with in camera.

[*Proceedings continue in camera*]

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

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

**Also available on the Parliament of Canada Web Site at the following address:
Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.