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—
Chair

Mr. Leon Benoit

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• (1110)

[English]

The Chair (Mr. Leon Benoit (Vegreville—Wainwright, CPC)): Order. We will resume the meeting.

Ms. Bell, if you could move your motion, we'll get on with business from here.

Ms. Catherine Bell (Vancouver Island North, NDP): Thank you, Mr. Chair.

Thanks to the committee for indulging me here.

I move that the following motion be reported to the House at the first opportunity:

That the Standing Committee on Natural Resources urges the Government of Canada to delay rendering a decision on The Southern Lights and Alberta Clipper Expansion Projects aimed at exporting unprocessed energy resources to the United States of America, until the standing committee has reviewed all the implications of this and other proposed pipelines on Canada's energy security, economic development, and public interest and the standing committee has reported its findings to the House.

The Chair: Ms. Bell, do you want to speak to the motion?

Ms. Catherine Bell: Yes, thank you.

I'm asking the members of the committee to support this motion because I believe the future of Canadian energy, security, jobs, and the environment is at stake.

The National Energy Board has approved these projects, and we're calling on the government to protect the public interest in this regard. These projects cannot go forward without cabinet approval. I'm asking the federal government not to approve these projects. We're asking that the committee hear from witnesses and review all the implications and report back to the House.

There are concerns about the future of Canadian energy security with pipelines that will export raw bitumen to the U.S. for their consumption, while Canadians will remain vulnerable to offshore oil supply. Because of the way our export policy is defined, we have to satisfy the U.S. markets first.

There are also provisions in NAFTA, in article 605, that state that once we have started a flow of unprocessed bitumen to the U.S., we cannot halt that flow for upgrading purposes or for value-added product to export. So that's another concern.

There's also a concern about jobs if we're not processing and refining here in Canada. A number of upgrades and projects are proposed for the Alberta region and the tar sands region. We believe if we're exporting raw bitumen and there's no need to upgrade,

there'll be future job loss or the non-creation of jobs in that area, upwards of tens of thousands of jobs.

There is also great concern for the environment, because this will increase the development of the tar sands quite rapidly and will add to our greenhouse gas emissions and also the pollution of water in that area.

As well, the National Energy Board's mandate is set by Parliament in the National Energy Board Act. It is to promote the safety, environmental protection, and economic efficiency in the Canadian interest. By passing this motion, we'd be calling on the government to protect the public interest in this regard.

The Chair: Members, you have heard the motion. Ms. Bell has spoken to her motion.

As chair, I want to point out a couple of things. The first is that the National Energy Board has approved both of these projects already. The process takes years, and they've gone through that process. The ability for the public or this committee, anybody, to have input has been wide open.

We get notices in our MP offices of these things happening all the time, and now we're bringing this to committee. As chair, I'm only mentioning this because I'm concerned about the way it would reflect on this committee if we were to interfere in the National Energy Board approval in this way.

As a second concern, do we know that cabinet hasn't approved this?

Ms. Catherine Bell: That is my understanding.

The Chair: Well, I don't know that. I think it would be wise for the committee to find that out—before we go ahead with this and find out that it's been dealt with.

Those are my cautions, as chair of the committee. I open it up now to the members who want to speak on this.

The first is Mr. Harris.

Mr. Richard Harris (Cariboo—Prince George, CPC): I have not looked into this and examined Ms. Bell's concerns regarding job loss and how exporting bitumen would affect our own energy requirements in the future. I haven't seen the data on that. Before I would want to vote on this, I would like to know from Ms. Bell if she is prepared to present to me and to this committee the scientific data that would support her assertions that there would or could be job loss, and that we could find ourselves in a crisis from a lack of bitumen because we had exported it.

The National Energy Board, I would expect, would have looked at this very thoroughly and considered all of that during whatever consideration period they had, and I understand it was quite lengthy.

If Ms. Bell has some science that they weren't aware of in the making of their decision, or some science and some precise scientific data that we can look at that supports the possible job loss or the possibility of us having an energy reduction in the future, I would be willing to consider this motion based on what she says. Without that, I can't vote on this.

• (1115)

The Chair: Okay.

I don't want to get into the situation where we go back and forth with the person who has moved the motion. She will have a chance at the end to respond and if she wants to get on the list before, I'll be open to that.

Mr. Boshcoff.

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Thank you very much.

Right after our committee meeting on Tuesday, I also went to the presentation. Seldom have I been as shocked about the impacts or possible impacts on a nation as these two pipelines represent. So if there is anything of importance that we could do, it's right up there, maybe beyond the forestry and isotope issues.

I would wholeheartedly endorse this resolution, and I especially convince my colleagues to support it because, in particular, it allows us to at least review all the implications. And I can only say that for us, as members of Parliament, this is probably something that could affect our nation for its entire existence.

The Chair: Mr. Allen.

Mr. Mike Allen (Tobique—Mactaquac, CPC): Thank you, Mr. Chair.

Just having looked into this over the last day or so, I appreciate the motion that Ms. Bell is trying to make and what she is trying to do here.

The NEB's role is as an agency on interprovincial pipelines and international pipelines as well as international transmission lines for electricity. Having been through some of these processes before through NEB applications, they are extensive and there are a tremendous number of public hearings that happen on all these.

I have a significant concern that we are trying to take the NEB's decision-making process as part of the natural resources committee. I don't think that's our job.

The public interest, as I said, is inclusive of all Canadians and refers to a balance of the economic, environmental, and social interests. Under the NEB act, the factors to be considered and the criteria in coming up with those decisions are to take all those factors into account. That's why it takes so long.

There has been a tremendous amount of commentary on this, a tremendous number of submissions, and I'm sure a tremendous number of intervenors. I haven't gone through all the intervenors' applications but I'm sure there are a large number.

The second issue I have a concern about is that there has been significant economic analysis done on this. There is about \$1.5 billion in expenditures on this project, of which 98% will accrue to Canadian content. That's been balanced with the NEB's statement that this project is not likely to cause significant adverse environmental effects. Is this going to be any better than us trucking bitumen over in a bunch of trucks down to the U.S.? I doubt that would be any more environmentally friendly.

Mr. Chair, I'm very concerned that we are trying to take over the NEB's actions. And further in the motion it says, "and other proposed pipelines on Canada's energy security". Are we going to open this up so that we're going to review every pipeline application that comes in? Is that going to be the committee's role? If that's the case, why do we have an NEB? They have the expertise to do this. They've been doing it for years.

I just think this motion is way off base. And it's a day late and a dollar short, because it's been approved.

The Chair: Mr. Trost.

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Thank you, Mr. Chair.

I agree wholeheartedly with what Mr. Allen said as far as the NEB's role is concerned, and I won't go through that again, but I just want to make a few fairly basic points.

Looking around the table, I believe I'm the only member of Parliament from a province that's directly going to have these pipelines there, from the prairies, one of the oil-producing regions of the country. I just want to make that point, because this is an issue of regional sensitivity.

Western Canada is the sedimentary basin, and now the oil sands in Fort McMurray have been an extraordinary source of national wealth for our country. Many of the equalization transfers to the eastern Canadian provinces come directly because of the oil wealth of the prairies. That's where it comes from; it's what pays for people's social and health care, day care programs, you name it. That extra money that provides just that much more, to do just that much more, in the have-not provinces tends to come partially from Ontario's manufacturing wealth, but partially from oil.

So we should understand that what we're dealing with here is tampering with the regional economic viability of one region—that's what we're talking about here—but that region has helped to fund and generously pay for the whole country. I think everyone should remember that when we're talking about this.

What's being put out by the advocates who want to review and stop this is that it's going to cost Canada jobs. It's going to cost Alberta and Saskatchewan jobs. The chair is also from the region, and he knows this as well as I do: where in the world are we going to get the workers?

The unemployment rate in Alberta is 3.5%. It is only that high—and I use the word “high” for an unemployment rate of 3.5%—because they have figured out creative ways to get everyone over the age 15 working and pulled into the labour force, because they have thousands of people flying in from the United States, from Newfoundland, from overseas. Where are we going to find these supposedly 18,000 people to work with?

In my riding, I was talking to construction companies. They can't get basements dug in time. The mayor of my city wants to put up another 700 lots. He wanted to do it this spring. We can't do it because we're so short of contractors to pave.

So we're not “protecting” jobs if we ask this to be reversed in western Canada. We just can't literally find those people. If this were Windsor, with an unemployment rate of 9%, we might have a case.

Let's put it on the table that this is not about protecting jobs in western Canada. There are other agendas here at play. I want that to be remembered.

I also want it remembered...to talk about and make sure the provinces involved have their say. If this were done on a Hydro-Québec project, I'm pretty sure I would know how the members from the province of Quebec would react. They would be fairly negative, because they want to defend what they provincially want.

Western Canada needs to have these pipelines to keep expanding. I would love to have the upgraders built, but it's just not that possible or feasible at this point. I'd love every upgrader to be built continuously in the area, but after the NEB has spent its two years going through this project, with many representations from all the players involved, I don't see how we can urge the cabinet to do it. If there is some major national security issue or something like that, I'm sure the cabinet will say it, but those are two reasons for us not to do it.

In closing, the provinces and the regions should be respected on this. We don't have an unemployment problem in the prairies, we have a massive labour shortage. Unless we empty the provinces of Quebec, Newfoundland, Nova Scotia—and we are doing that currently—we are not going to be able to fill those jobs in western Canada. A lot of those people naturally want to stay in their home areas and don't want to work in our area, because they have great homes where they come from. So it's very difficult to get it fulfilled.

Those are a couple of the reasons why I am particularly opposed to this motion, as much as I would like to see all the upgraders and refineries built in western Canada that could possibly be built.

• (1120)

The Chair: Thank you, Mr. Trost.

Because, Mr. Trost, you referred to the fact that I live in Alberta, I am going to speak to this issue too. I do that rarely as chair, but I am going to.

I want to say that I have spoken to—I'll be general—the top politicians in Alberta about this very issue on several occasions. It's not like this has just come to the floor now. It's been years and years that this has all been talked about and worked on.

There are several refineries being built in Alberta. We're building new projects to upgrade this material, to add value to it, as fast as we possibly can. The fact is that if we're going to do proper environmental studies, with the shortage of workers, with the shortage of companies to build these plants and so on, we're doing all we can to upgrade. It's not like there aren't new upgrading refineries being built in Alberta and being put in place. There are. The fact is that we can't do it all.

These pipelines could move any kind of product. They could move the refined products, and they could move the raw bitumen with some additives down to the various markets in the United States. The reason that's happening...and it has been carefully considered. It has been debated in the Alberta legislature again and again. It has been debated in industry in Alberta. It has been debated amongst the Alberta and Saskatchewan public. The reality is that we simply can't keep all of the jobs. We don't have people to work, and we can't develop the projects to upgrade fast enough. So that's the first thing I wanted to mention.

The second thing is the point that Mr. Trost touched on. Many of the jobs for building all of the pipelines, the jobs for building the upgrading facilities that are being built—and there are several new ones, with probably more than a dozen major upgraders being build right now—are in Ontario and Quebec. It's not just workers coming into Alberta; the jobs, the manufacturing being done to build these plants that are being built, and to build these pipelines, are in central Canada.

So if we're going to start interfering in projects like this, we are going to cause job losses—we being the committee, if we decide to do this—and those job losses are going to be in central Canada as well, every bit as much.

The final point I'm going to make is I wonder how our Bloc friends would feel if this committee were trying to stop a project that had gone through years of a proper process for approval. If this were a hydro project in Quebec, how would our Bloc colleagues feel about that? I think they would be really upset, and I can fully understand that. I would be extremely upset if I were in their position.

I think it's important that we consider all of these things before we go ahead.

I'll just carry on with the list now.

Madame DeBellefeuille.

• (1125)

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

[*Translation*]

Mr. Chairman, we read the motion and we, in the Bloc québécois, cannot say that we are in love with it, as we say in French. It raises a lot of questions, as you said. After making my points, I might propose to Ms. Bell a small change that would allow the Committee to consider its motion.

Obviously, if the two projects go ahead, and in view of the fact that we are part of NAFTA, Ms. Bell must understand that the Canadian market no longer exists; it is rather a North American market. Furthermore, the Bloc québécois does not advocate a national energy policy. This project could be turned down for environmental reasons. In this motion, I did not see anything that would dictate to provinces how to manage their natural resources, which are under provincial jurisdiction.

If we were to take this action, it could be viewed as erecting a barrier against exports, which would be contrary to NAFTA. I don't know that much about the project, but I view this motion as an invitation to review the project, not necessarily to block it, and to examine its implications. There is not much danger in examining it.

I would suggest to Ms. Bell to take out the word "all". It would be very ambitious for the Committee to examine "all implications", since the National Energy Board has already done so. We must look at the implications in order to reassure the workers who, it must be said, came to meet with us. I would be willing to support this motion if it could be slightly amended. We could have one or two meetings in order to look into the issue raised by Ms. Bell.

[*English*]

The Chair: Ms. Bell, do you accept that as a friendly amendment?

Ms. Catherine Bell: Yes.

The Chair: Is there any objection....? Well, it's a friendly amendment; we can do that.

Mr. Alghabra.

Mr. Omar Alghabra (Mississauga—Erindale, Lib.): Thank you, Mr. Chair.

Look, I'm in no position to make a judgment call on this motion. I understand there was a briefing done. I was not able to attend because of scheduling issues. I'm still interested in hearing or getting briefed on this issue. But not knowing the information, the situation, the implications, I don't think I'm able to support this motion at this stage. This matter is serious and it sounds serious. I need to be briefed on it. I need to be informed before I can just make a knee-jerk reaction and vote on the motion like this.

I don't know if Ms. Bell would be willing to table it for a while until we get more briefings done, or if she still wants to keep it, but at this point I'm not able to support it.

• (1130)

The Chair: Do you want to make a motion to table?

Well, it would be to adjourn debate; I know we use the language of "to table", but it would be to adjourn debate.

Mr. Omar Alghabra: I will put forward a motion to adjourn debate on this motion.

The Chair: It's non-debatable. We go straight to the question.

Those in favour of adjourning debate—

Mr. Tonks.

Mr. Alan Tonks (York South—Weston, Lib.): On a point of order, I would ask my colleague—

The Chair: Excuse me for a minute, Mr. Tonks.

We can't go to a point of order if we have a vote, actually. So we have to carry on with the vote. Once the vote is asked for, it's non-debatable and the vote has to be carried on.

To continue, shall the debate on this motion be now adjourned?

(Motion agreed to)

The Chair: The debate on the motion is now adjourned. It can be brought up by Ms. Bell at the next meeting.

Go ahead, Ms. Bell.

Ms. Catherine Bell: Without getting into the debate, I can provide some information for my colleagues, if that's their wish. I know a couple of people have asked for more information, and I'd be happy to get that to your offices.

The Chair: Perhaps you could send it to the clerk, Ms. Bell, because this is committee business now.

Mr. Harris has a point of order, but first, did you have a point of order, Mr. Tonks?

Mr. Alan Tonks: I can assure you that my point of order is very much redundant.

The Chair: I had to go on with the vote. That's proper procedure.

Mr. Alan Tonks: Okay.

The Chair: Mr. Harris.

Mr. Richard Harris: Ms. Bell, regarding the material that you will supply, could I request that you supply the material that supports your motion that specifically conflicts with the science that the National Energy Board has used in granting their approval, rather than rhetoric? I know that rhetoric plays a big part in this, but I would request specifically material that shows where there's a conflict based on scientific fact.

The Chair: I'm not sure that was a point of order, but it was helpful.

We'll suspend and move into an in camera meeting again to continue with our forest industry study.

[*Proceedings continue in camera*]

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