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Chair

Mr. Leon Benoit

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• (1205)

[English]

The Chair (Mr. Leon Benoit (Vegreville—Wainwright, CPC)): Good morning, everyone.

Mr. Anderson.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Chair, I just want to point out that some of us are going to have to leave partway through the committee meeting, which is unfortunate.

Yesterday we had Bill C-5 come to the House for debate. We were in the middle of debate when the House was adjourned yesterday, and it was going to come up again this morning at 10:15. Now we're being held up by some NDP amendments. It was interesting that when they made their presentation yesterday, Mr. Chair, their main objection was that the bill had not come back quickly enough for them. This morning we came to the House to debate the bill, and they pulled a procedural trick, and we spent three hours discussing a completely different issue. Some of us had expected to be in the House this morning discussing Bill C-5 and hopefully have it done by now, so we could have been at the committee the entire time.

So I just wanted to point that out and let people know the reason why some of us will have to leave. I believe the critic for the Liberals is also going to be one of those people who are going to have to leave.

The Chair: Thank you, Mr. Anderson.

I see no other point of order.

We're here today, pursuant to Standing Order 81(4), to deal with the main estimates for 2008-2009, votes 1, 5, 10, 15, 20, 25, and 30, under Department of Natural Resources, referred to the committee on Thursday, February 28, 2008.

We have appearing before our committee today the Honourable Gary Lunn, Minister of Natural Resources. Welcome.

From the Department of Natural Resources we have Cassie Doyle, deputy minister, and Richard Tobin, assistant deputy minister. So welcome, to all of you.

Mr. Lunn, I understand you have a presentation to make. Go ahead and make your presentation, and then we'll get directly to questioning. Go ahead.

Hon. Gary Lunn (Minister of Natural Resources): Thank you very much, Mr. Chair.

It's great to be back before the committee to talk about the main estimates. As you've pointed out, I'm joined here by my deputy

minister, Cassie Doyle, and Richard Tobin, my assistant deputy minister.

Mr. Chair, as I begin, we're all very much aware of the enormous economic growth of the natural resource sector right across Canada, even more specifically within the energy sector, which is providing tremendous benefits to Canadians.

In 2006 our natural resource sectors contributed 13% toward Canada's GDP and accounted for nearly half of our domestic exports. The natural resource sector contributed \$91 billion to Canada's trade surplus, and that is one of the reasons, Mr. Chairman, that the Canadian economy remains so strong today.

Along with this rich resource endowment also comes an enormous responsibility to ensure that we develop our natural resources in a sustainable way. I believe, Mr. Chair, that we can build our country's strengths in a responsible manner, with innovation and the ingenuity of the Canadian people, a world-class investment climate, and open and transparent regulatory systems.

There are three strategic objectives, Mr. Chair, that must drive our natural resources. The first one is economic competitiveness, where natural resource sectors are productive and competitive so they continue to contribute to the well-being of Canadians. Equally important is environmental responsibility, where Canada is a world leader in responsible development of the use of our natural resources. The last one is safety and security, where knowledge of our resources and our country strengthens the safety and security of Canadians.

Let me begin with economic competitiveness. Rising commodity prices and increasing global demand have benefited most of the natural resource sectors. The future of Canada's competitiveness relies on our ability to apply knowledge and innovation to our strategic assets and to our rich resource endowment. As you know, the competitiveness of Canada's natural resource sector is built on innovation. These are knowledge-based sectors, and our government is focused on fostering science and technology. The significant science and technology expertise at Natural Resources Canada sharpens the competitive edge of Canada's resource sectors.

Mr. Chair, the forestry sector remains an important contributor to our economy. Despite an increasing number of challenges, including the downturn in the U.S. housing market and the rise in the Canadian dollar, here again innovation and knowledge will be key in helping enhance our competitiveness in this sector. Our government has created a long-term competitive forest industry initiative that supports innovation and assists the forest sector in moving towards higher-value products and exploring new markets. We have led the creation of the world's largest public-private partnership in forest research and development—FPInnovations.

Mr. Chair, recently this committee heard from witnesses, including FPInnovations, regarding the unique opportunities and the challenges facing the forest industry. Your committee has also suggested convening a forestry round table. In a response to this, I will be co-hosting a forestry round-table discussion on the paths to a prosperous future of innovation and markets, in conjunction with the Forest Products Association of Canada and FPInnovations, on May 13. We did have some discussions with both of these industry groups, seeking guidance from their members, and it was believed that a focused approach would be the best way to bring all the stakeholders together to have a focused, good discussion, and that is in fact what we're going to do.

It will be a great opportunity. We would welcome the participation of all the committee members. As well, the following day is forestry day on the Hill. There will also be a number of meetings following that with various caucuses and an opportunity to have a good discussion over those few days on forestry.

The input received from this session, along with other mechanisms, including public consultations of the Canadian Council of Forest Ministers' draft, *Vision for Canada's Forests: 2008 and Beyond*, will help outline our priority actions for the sector over the longer term. I hope you'll be able to participate in these important discussions.

The second strategic objective that I outlined earlier is critical. In developing our natural resources, it is essential that we do so in an environmentally sustainable way.

We will continue to deliver successful initiatives for energy efficiency, renewable energy, and clean energy. We have invested over \$3.5 billion to our ecoENERGY efficiency initiative, to our ecoENERGY renewable initiative, to our ecoENERGY for biofuels and to our ecoENERGY technology initiative.

Our government is committed to a safer, cleaner, and more secure energy mix in Canada. This year we are investing over a quarter of a billion dollars in carbon capture and storage that will significantly reduce greenhouse gas emissions by capturing carbon dioxide from coal-fired industrial plants. This includes the world's first fully integrated clean coal electricity generation facility combined with carbon capture and storage. This project in fact will be happening in Saskatchewan.

Again, this is an enormous opportunity for Canada to lead the way on the development of technology and innovation. We're also investing in geological research on carbon capture and storage potential in Nova Scotia. As well, we're partnering with the University of Calgary to further examine the regulatory, economic,

and technological issues to accelerate the deployment of this important technology.

We're also investing \$300 million to support AECL and the development of its next-generation nuclear power reactor, the advanced CANDU reactor, and its ability to maintain safe and reliable operations at Chalk River laboratories. Canadians know that nuclear power generation is safe. It's clean and it's emission-free. It's based on Canadian technology that uses Canadian resources.

Finally, Mr. Chairman, the third strategic objective is to promote the safety and security of Canada. As the committee is well aware, the Prime Minister places a strong emphasis on developing opportunities in Canada's north. Investments in geo-science and mapping will help industry discover and develop new energy and mineral resources. Building on this strength in our most recent budget, the Government of Canada invested \$34 million over two years for the northern geological mapping and logistical support for the polar continental shelf project.

These investments will provide enormous economic potential for developing resources in remote communities, including the north. Not only are we pursuing the sustainable economic development of this region, we are building on our capacity to support Canadian sovereignty.

Our recent investment of \$20 million in seabed mapping, for example, will promote the scientific basis needed to demonstrate Canada's claim in the Arctic for our submission under the UN Convention on the Law of the Sea.

Mr. Chair, I had the opportunity, the week before the break week, to visit where we have 25 researchers from the Department of Fisheries and Oceans and Natural Resources Canada working together to make our territorial claim. It was an amazing experience to go right out onto the polar ice cap and see first-hand what our scientists are doing.

Dr. Ruth Jackson is our lead scientist, and the work they're doing there, the data they're collecting, will be absolutely vital to Canada making a successful claim for a part of the continental shelf the size of the prairie provinces combined. It's very important that we continue this work.

Again, I want to applaud this. I had an opportunity to see first-hand what they're doing. There are very specific rules on how we will make this claim. I believe it's critical that we are successful in this claim so that we ensure that we have the jurisdictional control, not only about the potential economic opportunities, but, even more importantly, that we control the ground rules—what the environmental standards are and how we are to ensure that this is done to the highest standards to ensure environmental protection for future generations.

The north is a very important part of our country, and I'm pleased, as I said, to have been there to see this first-hand.

Finally, I must mention an important initiative to improve our regulatory systems. The government is taking action to improve the efficiency of the regulatory approval processes through the creation of the major projects management office. This investment of \$150 million over five years, together with a number of federal agencies, will provide industry with a single point of entry into our federal regulatory process. This will give Canada's natural resource industries greater certainty, improved predictability, and increased transparency, while strengthening the integrity of the overall regulatory process. This will ultimately mean more timely reviews that will aid in attracting critical investments. This is an improvement in the governance that Canadians have been seeking, and I'm proud to report that we are delivering.

• (1210)

Mr. Chair, this government will build on Canada's rich endowment of resources and the skills and ingenuity of our people to keep our economy competitive, to meet our environmental responsibilities, and to contribute safely to the security of all Canadians. Our government is committed to developing policies that maximize the potential of Canada's natural resources. As natural resources continue to rise in strategic importance in the global economy and as concern increases for the future of the planet, our government is creating a sustainable resource development for the advantage of all Canadians.

I would like to thank you for giving me the opportunity to appear before you this morning, and I look forward to your questions.

• (1215)

The Chair: Thank you very much, Minister Lunn.

We will now go directly to questions. We go first to the critic from the official opposition, Mr. Alghabra. Go ahead please, for up to seven minutes.

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

Good afternoon, and thank you for coming here, Minister, Deputy Minister, and Assistant Deputy Minister.

As you can imagine, I want to focus for some of our time on AECL. There are still a lot of outstanding questions on the future of AECL and also lessons we learned from the incident that happened last Christmas. Could you please update the committee and the public on where the review process is, the process for which you've hired National Bank to look into AECL?

Hon. Gary Lunn: The National Bank has been engaged to do an evaluation within all the business lines of AECL. We want the best information we can get, so we will be evaluating that. Obviously I have nothing more that I can report. But again, you'll be hearing more from me in the coming months, as we move forward through this first phase of the evaluation.

Our ultimate objective, Mr. Chair, is to put AECL in a position of strength. This crown corporation has been badly neglected over a decade, chronically underfunded, and it's time we had a serious look at this. We've got some of the best people in the world, some of the best nuclear scientists. We've got great technology. We believe that by giving this some attention and having a serious look at it, we'll be

able to actually put AECL in a position where it can be a world leader.

Mr. Omar Alghabra: Thank you.

Has the report been sent to you by National Bank? Have they completed their study?

Hon. Gary Lunn: I'm not sure if they have actually completed it. I've seen some drafts, but I'm not in a position to discuss that publicly.

Mr. Omar Alghabra: I'm not asking you about the content. I'm asking you if they have completed their study or not.

Hon. Gary Lunn: I've got a draft, but I haven't seen a final draft.

Mr. Omar Alghabra: You know that Ontario right now is in the process of considering bids for a large reactor, a power plant.

Hon. Gary Lunn: Yes.

Mr. Omar Alghabra: AECL is one of the bidders. But the Premier of Ontario had requested that the federal government clearly articulate and state its position towards the future of AECL, and that will play a big role in determining Ontario's decision. As you can imagine, there are a lot of jobs depending on it, a lot of technologies depending on it. So I'd like to know from you what your commitment is to the future of AECL and that bid process.

Hon. Gary Lunn: First of all, I don't think anyone can challenge our government's commitment to AECL. We put \$300 million, an unprecedented amount, in this year's budget to fully fund the completion of the ACR technology. Again, we've got a world-class technology. We're fully aware of the Ontario bid process as well. Ontario has launched a competitive process. One of the greatest things AECL has done internationally recently is that it has delivered on time and under budget almost all the reactors, if not all of them, that it has built. These reactors, the ones in Korea—

Mr. Omar Alghabra: Just because I have a limited time.... I understand. I actually share with you how we value AECL. Just for the sake of this process right now, the Ontario government needs to hear from the federal government. So I'd like to know what your commitment is going to be for the future for AECL.

Hon. Gary Lunn: First of all, our commitment in budget 2008—as I've just stated, \$300 million was unprecedented—sends signals. So we are 100% committed. We've launched a review to strengthen AECL, so it can capitalize on the opportunities here at home, and we believe it is a world leader. There are some things that need to be addressed, and we are focusing on those, but I can't get into those specifics at this point in time. You will hear more from me in the coming months.

Our ultimate objective is to seize upon the opportunities and capitalize on the great people we have at AECL—the nuclear scientists, the nuclear engineers—and a great technology. The CANDU reactors are some of the most efficient operating reactors anywhere in the world. I'll give you a few real quick examples. In Korea there are 20 nuclear reactors. AECL has four of those CANDU reactors. The reactors in its entire CANDU fleet are number one, number two, number three, and number five in efficiency. The ones in Argentina won awards for the most efficient reactors anywhere in the world. In China, Qinshan 1 and 2—CANDU reactors—are the most efficient reactors in the entire Chinese fleet—

• (1220)

Mr. Omar Alghabra: I've read the brochures.

Hon. Gary Lunn: These are not just brochures—these are the facts. That's why we're putting a lot of support into AECL. We believe in the future.

Mr. Omar Alghabra: I'm well aware of AECL's performance and its track record. I'm concerned about your outlook, your vision of AECL. Are you going to privatize AECL? Are you going to sell it off? Are you going to create a joint venture?

It is important for Ontario, other customers, AECL scientists, and hardworking individuals to know the government's commitment to AECL.

Hon. Gary Lunn: I'm not going to restate the commitment.

Mr. Omar Alghabra: I'm talking about the privatization.

Hon. Gary Lunn: What are we going to do exactly? We are looking at AECL with a critical eye, so that it can emerge, where it rightfully belongs, as a world leader with a great technology. We are very much engaged in the discussions with Ontario, and I'm confident that AECL will be able to compete with the other technologies in the Ontario bid process and emerge successfully. We believe they have a great technology with a—

Mr. Omar Alghabra: So privatization is on the table?

Hon. Gary Lunn: I did not say that.

Mr. Omar Alghabra: I didn't say you said that. I'm asking, is privatization on the table?

Hon. Gary Lunn: I've said this before. All the options are on the table. None have been excluded. But I wouldn't be focusing on one —

Mr. Omar Alghabra: When can we expect to hear from you about that?

Hon. Gary Lunn: I'm not going to give you a timeframe, but it's something that we're very much engaged—

Mr. Omar Alghabra: Approximately.

Hon. Gary Lunn: It will be this year. We're very much focused on that.

Mr. Omar Alghabra: I want you to share some of the lessons learned from the last fiasco at Chalk River. What corrective actions have we put in place to ensure that it doesn't happen again?

The Chair: Minister, you'll have to give a very general answer, because you only have 15 seconds.

Hon. Gary Lunn: I've worked with my colleague, the Minister of Health. We've put plans in place to ensure that there's an adequate supply of medical isotopes. We have contingency plans to ensure that this will happen. The reactor at Chalk River, the NRU, is operating. It's a marvellous piece of technology, and it's producing. We can be very proud of what that technology is doing in providing 50% of the world's supply of isotopes.

The Chair: Thank you, Minister. Thank you, Mr. Alghabra.

Madame DeBellefeuille.

[*Translation*]

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

Thank you, Minister and Madam Deputy Minister. We'll continue our discussion on the AECL.

You stated, in November 2007, that a final amount of \$37.5 million would be allocated to Atomic Energy Canada. We learned, in the last budget, that the government had given the AECL \$300 million for fiscal year 2008-2009.

Minister, how much of this money will be used to make the Chalk River laboratory safe and what amount of the \$300 million is earmarked for the advanced CANDU reactor? And can you tell me whether this will really be the last sum of money taxpayers will have to pay to develop the ACR-1000?

[*English*]

Hon. Gary Lunn: You were correct: it was \$300 million in this budget. When I made those statements last time, we were sitting down with AECL and trying to find out exactly the resources they need. We were in discussions at that time, preparing for the 2008 budget. There was some confusion, but we were looking for a final funding and a means of getting this completed. Of the \$300 million, \$100 million was for the completion of the ACR; \$80 million was for the dedicated isotope facility; and \$120 million was for the regulatory, health, safety, and security requirements at Chalk River laboratories.

We believe this will be the last installment required from the federal government to complete the ACR, but that does not mean it will be the end of the work. There's still ongoing work to do on the ACR, and it is going on as projected.

• (1225)

[*Translation*]

Mrs. Claude DeBellefeuille: Minister, when will the ACR be on the market? Last year, you told us it would be the last investment. You've come back here this year and told us that this is really going to be the last time money will be invested, taxpayers' money, in the development of the ACR-1000.

Can you tell me when the ACR will be ready and if taxpayers have really finished contributing to the funding of the ACR-1000's development?

[English]

Hon. Gary Lunn: Yes, absolutely. First of all, we believe the ACR-1000 under AECL will be competitive in the Ontario bid process. They are looking at starting construction of the ACR-1000 in Ontario, I believe, by 2012. Starting construction in 2012 is the objective of the Ontario government. So this research is very well along. I agree with you, it has to be commercially viable, and that's why we're going to the review right now with AECL. We look forward to coming back with more on that in the coming months.

[Translation]

Mrs. Claude DeBellefeuille: Thank you. Now let's talk about the ecoENERGY program for home retrofitting. Last year, I said to you that the transition between the two programs was somewhat chaotic. I submitted files to you, at your request, about some people who had fallen between the cracks. Unfortunately, these people got the same response from your department, in the form of a letter, that they had already received. In other words, my discussions with you haven't change the situation these people are in. It is impossible for me to determine today based on the figures how many people have received assistance under the program since it was instituted. How many people have received assistance? That's what I'd like to know.

I'd also like to know if your very serious problem in terms of the availability of competent and accredited appraisers to carry out assessments in remote regions of Quebec has been solved. Your program was announced in January 2007; it took you a couple of months to get it up and running, in April. Only a couple of months ago, people from the far-flung corners of Abitibi and the Lac-Saint-Jean region still did not have access to appraisers, and as a result, there's now some level of inequality in terms of availability of resources and getting access to the program. Could you address this issue?

[English]

Hon. Gary Lunn: First of all, I think we should focus on the successes of this program, and it is very successful. We started accepting applications on April 1 of 2007. And she got some specific numbers for you, which I was going to have to get back to you on. But, on average, the homeowners are receiving a cheque for about \$1,000. A much greater percentage of public funds are going into home retrofits, so we're seeing a significant uptake in the program, which is saving energy, which is what the goal was all along.

Once people get their first audit done, they have up to 18 months to do the work, so a lot of people are—

[Translation]

Mrs. Claude DeBellefeuille: But—

[English]

Hon. Gary Lunn: Let me just finish. I want to answer a couple of your questions.

A lot of people in the program are still waiting for their cheques. In 2007-08, some 89,000 had retrofit evaluations, and 13,000 homeowners to date have received grants of an average of approximately \$1,000, but a lot of those people are still doing the work. The data we have is that a far greater percentage of that money is going to doing the retrofits themselves.

You raised a question about the inspectors. I do acknowledge it was difficult to get inspectors in more rural parts of Canada. That's something we were aware of and we were looking at where there were shortages and were trying to fill them. I know the department's done some work by putting out a new call for inspectors, and we'll continue to do that. Obviously it's important for us to have the inspectors there, because the program cannot function, and we want Canadians right across Canada to have access.

If there are still areas—I'm not aware of any—where there are still problems, we're happy to hear about those. We'll try to work with you or other members to resolve problems with inspectors, but I'm not personally aware of any. There were some, and I know the department called for additional inspectors and tried to resolve those issues.

● (1230)

The Chair: Madame DeBellefeuille, your time is up.

Ms. Bell, for up to seven minutes.

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

Thank you to the minister and deputy minister for appearing today and for answering our questions.

Thanks also for the invitation to the forestry round table on the day on the Hill. Unfortunately, I may not be here for the 14th. I'll be at home. One of our mills is closing, and there will be an event there on the 14th. That's the last large mill in my riding that will be shut down. We're hoping a buyer comes along between now and then, but it doesn't look promising.

On that topic, Mr. Lunn, when I first came to this committee, I think it was within the first few months of meetings, you came before us. I think it was the first time, and we talked about raw log exports. You said that you were very concerned about that. I'm wondering what steps you've taken or what you have done to curtail raw log exports from this country since that time. That's one of the largest reasons our mills are closing down. It's because they don't have any logs to mill. They are being exported.

My second question is with regard to the ecoENERGY program. You've answered some of this in your answers to the Bloc. I have people in the riding who have had inspections, and the inspections cost approximately \$400. The amount of money they got back was \$400. They felt that this didn't really give them much hope. They didn't see this as a big incentive for doing the work. Unfortunately, they had to spend around \$11,000 to get their heat pump. I have been asked by them to ask a question about why it is so high and why there is not much of an incentive.

My last question is about the ecoAUTO program. That was discontinued, and I'm wondering why that was discontinued. I know a number of people who took advantage of it, and it was successful, in their minds. I wondered, from Natural Resources Canada's point of view, why it was scrapped.

Hon. Gary Lunn: Thank you.

Let me try to address your three questions. First of all, on the raw log exports, you're correct. This is Minister Emerson's responsibility, but I have had discussions with him, as well as with my other colleagues. James Lunney has raised this with me a number of times, with equal concern.

There are issues. We have to be careful we don't trigger any kind of trade action within the softwood lumber agreement. That is one of the mitigating factors.

We've had discussions with the province. I know on the softwood lumber agreement there were opportunities for discussions dealing with this issue, but again, Minister Emerson has the lead.

I should say that one of the things we're trying to do within the forest industry.... And you've talked about your mills closing. We recognize the difficulty this is placing, especially on some of these small-industry towns right across Canada, the one-industry towns. That's why the Prime Minister announced \$1 billion in the Community Development Trust, so that there could be some money going out to help these communities, to help these families, and to help these workers, not to mention the money we're investing in forestry innovation and in looking for new markets.

We're committed to doing that. We're working with FPInnovations and the Forest Products Association of Canada to continue, and we absolutely believe that the forest sector is an important part of our economy and will continue to be for some time to come.

But I take note of your concerns on the raw logs. There are different people with different schools of thought. The province is engaged in this as well. So again, I know people are looking to see if there are things that can be done. There is no silver bullet, though. Just thinking that if you stopped the shipment of logs, those mills would come back tomorrow.... In fact, all of those mills on Vancouver Island have access to every single log first, before one log goes south of the border. Any Canadian mill is going to have access to those logs before they're exported. That's an important note to make.

On the ecoENERGY program, the reason we asked the homeowner to pay their audits was that we wanted their buy-in. What we found from the previous program was that the homeowner didn't have to pay for the audits, so a lot of people were just getting audits but then not doing any of the work. We felt that by having the homeowner at least pay for the audits we could actually increase the amount of the grant, which we've done. The average grant is just around \$1,000 across Canada; there will be some that are less and some that are more. But we believe the program is working, and it has great participation.

I don't know the specifics with respect to the ecoAUTO program, only that we've put a significant amount of money in the budget looking at our auto sector for innovation, looking at how we can work with the industry. We have a great auto manufacturing sector in Canada. They've been world-class in building automobiles and manufacturing some of the best in the world. We know the auto sector is having a tougher time. For SUVs and pick-up trucks, the market has virtually collapsed in the United States, so the auto sector is definitely looking for other opportunities. They're all engaging in

more efficient vehicles, which is great, and our government is trying to work with them to ensure that happens.

On the ecoAUTO program, though, we felt it was better to move money into doing that kind of work with the auto sector in the development of more fuel-efficient vehicles, and that's why we decided to make that change.

● (1235)

The Chair: Ms. Bell, your time is up.

We'll go now to the government side: Mr. Allen, for up to seven minutes.

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

Thank you, Minister, Deputy Minister, and Assistant Deputy Minister, for being here.

I have a number of questions. The first two I want to get out on the table, and then we'll see where we go from there.

You've already answered the question with respect to the funding for AECL on the ACR reactor, but one of the things that has been discussed quite a bit is the pre-licensing arrangement to be able to compete. That was one of the key success factors for competition for the ACR. I noticed that CNSC's budget has been reduced by roughly \$5 million. Do you see any impact from CNSC's being able to do a proper pre-licensing for the reactor? What stage is that in?

Hon. Gary Lunn: Thank you very much.

First of all, the decision to do pre-licensing is completely within the jurisdiction of the CNSC. They've made a decision to initiate the pre-licensing of the ACR with AECL.

One thing that's important to note is that the CNSC operates on a cost-recovery regime. In terms of their budget, I'm not sure, if something's not in the supplementary estimates, it's in the main estimates, and back and forth, but I will make this commitment: we are committed to ensuring an efficient regulatory process, and we will ensure that they have the resources they need to do the job. We're very much committed to that, and we are doing that.

The main estimates in 2008-09 include \$152 million.... Oh, that's for AECL; I'm sorry, I don't have the specifics for the CNSC.

Again, it is on a cost-recovery basis. I actually thought we had increased the funding to CNSC marginally, but I might be mistaken.

Mr. Mike Allen: I'll go on to my next question. It's on carbon capture and storage.

Minister, you mentioned the \$250 million for carbon capture and storage. I was reading an article just recently about the United Kingdom. With the number of coal plants they have, they are going to be facing a significant problem on energy supply between 2012 and 2015.

Being from eastern Canada, where we do use a lot of coal for generation, I'm wondering if we have done consultations with other countries in carbon capture and storage. Do we think we are positioned to benefit our economy from being in front of this technology so that other countries can use that and benefit from that?

• (1240)

Hon. Gary Lunn: No question. Listen, it's not just the United Kingdom, it's also countries like China; they are putting 1,000 megawatts of new electricity on the grid every 10 to 14 days, primarily coal.

So there are enormous opportunities for coal. We're seeing this growth in different parts of the globe. An enormous amount of global energy is coming from coal. Canada has an opportunity to be a world leader in the development of this technology. Our department does a significant amount of research right here in the labs at Bells Corners. With their oxy-fuel process, they can take virtually all of the pollutants out of the stack.

I said earlier in my speech that we have committed \$240 million for a Saskatchewan project, the world's first fully integrated clean coal with CCS. There are clean coal plants, and a few of them are operating. I don't have the details, but there are a few. We are doing carbon capture and storage. Weyburn, Saskatchewan, is an example; it has one of the largest ones in the world. There are other CCS projects around the globe.

This is bringing the two technologies together for the first time. You're seeing a lot of growth. I've had discussions with my counterpart, the Secretary of Energy, in Washington. The United States has significant interest in this as well. These discussions also come up with my colleagues at the International Energy Agency.

I personally believe there absolutely is an opportunity for Canada in the development of this technology, but I actually think we need to get this technology into countries like India and China. We need to do everything in our power if we're going to make an impact on the environment on a global scale. And that's where the great benefit is.

Absolutely, this is one of the reasons we're investing in this technology. There is an economic gap. This is very expensive technology. As with any new technology, there's always an economic gap, but as we get started, that economic gap will narrow. We've seen it in Hibernia, we've seen it in the oil sands. That's why we're quite excited to get this project off the ground.

Mr. Mike Allen: How much time do I have left?

The Chair: You have two minutes, Mr. Allen.

Mr. Mike Allen: Thank you.

My next question is with respect to the National Energy Board. In the estimates there's been just a small increase for the National Energy Board, by roughly \$1 million to \$1.5 million. Given their desire to be a major energy player and given some of the challenges faced by the National Energy Board, on interprovincial pipelines and exports to other countries, do you see that as an issue with respect to staffing and being able to hire and retain the proper resources at National Energy Board to do those reviews? We are living in a challenging environment right now with respect to getting talented resources.

Hon. Gary Lunn: Yes, finding talented resources and keeping them is always a challenge. There is no question about that.

The National Energy Board, like the CNSC, though, uses a cost-recovery model in which the proponents of the applications are bringing them forward and in fact are ending up paying for the work the National Energy Board does.

We're confident that they have the resources to do the jobs they need to do. They have some great people at the NEB, about whom we get very positive feedback from environmental organizations, as well as industry. We can be quite proud of the work the NEB is doing on behalf of all of us. It is a very highly regarded regulator across all sectors in Canada.

The Chair: A short question, Mr. Allen.

Mr. Mike Allen: In the ecoENERGY initiative, one of the programs, as I understand it, was supposed to support 800 to 900 homes for hot-water heating. That was in the last budget. Can you tell me how successful that program has been? It would seem to me that going to solar power and other opportunities for hot-water heating and storage is a tremendous opportunity. Do you have any comment about that program and the possible expansion of it?

Hon. Gary Lunn: According to what I have in front of me, Mike, about 200 contribution agreements have been signed, for a total incentive value of about \$6 million for deployment under this initiative. We are seeing some significant uptake of that. I believe the funding we announced for this program was \$36 million over four years. I'm not positive about the four years, but I'm pretty sure it was that.

We expect the program to be fully deployed. In its first year, as I said, we had \$6 million in contribution agreements signed, and we expect that figure will likely grow as the program becomes better known.

• (1245)

The Chair: Thank you, Mr. Allen.

We now go back to the official opposition for the second round, to Mr. Boshcoff, for up to five minutes. Go ahead, please.

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

I have two troubling questions, Minister. The first is why would you, knowing full well that the committee had passed a frank and clearly worded motion expressing its direction that the Prime Minister convene a full national summit on forestry, still go ahead with a three-hour session, knowing it would be inadequate for what this committee had set as a direction?

We've called your office for a list of invitees, and we've been told that it cannot be revealed to the public. So one can't help but feel there is some hidden agenda here, Minister.

Our report, which we've been labouring on for many, many weeks, won't be ready, but you would think it would be the focus of why you would bring people together, so they could start working on what we have proposed to the government as a direction, rather than going through all of the sludge work we've gone through. It really will set a national and international agenda for us, not a provincial or territorial one.

So I would question first of all why you would undermine this committee while knowing what our wishes were.

I guess the second question I would have is that this committee passed a resolution for \$1 billion for forestry, but the amount provided was \$330 million a year, and it was given carte blanche to the provinces. My question is that when we have a chance to have some influence with \$330 million a year, why wouldn't we say at that time that these are some of the ambitions, directions, and goals of the federal government, as opposed to just transferring the money?

Thank you, Mr. Minister.

Hon. Gary Lunn: Thank you very much, Ken.

First of all, with respect to the forestry round table, for one thing the timing of it is because it's forestry week. We thought that's a great opportunity. There will be a lot of the folks who are going to be in town for forestry. In fact, the next day is forestry day on the Hill. So logistically it's a lot easier for some of the invitees.

I'll be honest; I wasn't aware that someone had said you couldn't see the list of invitees, but let me tell you about some of the people who have been invited. Not to mention all of you around the table, there is FPInnovations, which is a leading public-private research institution; the Forest Products Association of Canada...

By the way, we've consulted with both of those agencies, who vastly represent a large section of the industry, and have said: we've done some work and we think an afternoon is what we should need; bring some people together, as well as union leaders—some of the stakeholders such as those. We're looking for a good discussion around this event.

You say you wanted the Prime Minister to lead it. No one should challenge this Prime Minister's commitment on forestry, nobody. He's the one—and we'll get to that in your second question—who put \$1 billion into the community development trust. He's the one who, in our first budget out of the gate, had \$400 million for forestry. We hadn't seen those kinds of commitments by the previous government, in all fairness, to forestry.

So we have put in significant funds. We worked with the industry to ensure that this money was flowing through to agencies to look at innovation, at new market opportunities, and there was our commitment on the pine beetle.

We work as a government. In all fairness, Mr. Boshcoff, your party is standing up in the House of Commons saying the Prime Minister is a one-man show. Now you're coming here and saying, "How come you're involved? You're just the minister responsible for forests. Why don't we get the Prime Minister?"

We work as a team. We really do work as a team, our entire cabinet, just as I work as a team with my deputy minister. We talk daily. We are all focusing our eye on the ball, on getting the job done, and you can rest assured that the Prime Minister will pay very close attention to this forestry round table.

Your second question was why give it to the provinces? We recognize that some of the most difficult part involves the communities that are being affected by the downturn of the forest sector. Some of the challenges are unprecedented. The forest industry was never geared to being competitive at a par dollar. U.S. housing starts are off by 25%; that's where 80% to 85% of our market goes.

So how do we help those communities? Who's best to deliver initiatives to help the workers themselves?

Just let me finish, Ken. I'm giving you a straight answer.

It's the provinces. Why would we in Ottawa want to deliver programs to these communities? We gave that money to the provinces with a focus to help these communities in the downturn of these sectors in the economy, and in fact we think they're in a far better position to deliver these programs than we are here from Ottawa.

• (1250)

The Chair: Thank you, Minister.

Your time is up, Mr. Boshcoff.

Mr. Ouellet, you have up to five minutes, please.

[*Translation*]

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

Good afternoon, Mr. Lunn.

I don't want us to get bogged down in the figures, but roughly speaking, if you factor in contributions from other departments, the government has invested somewhere around a billion dollars this year in atomic energy, for security, etc.

On the other hand, when you consider the amount of money invested in renewable energy—and let's not talk about biofuels for the moment because that's another issue and I'd like to come back to it later—you decided to allocate \$111 million to it. This is completely out of wack in my opinion because that envelope includes wind energy, passive solar with water, active solar with air, biomass for heating, wave energy, run-of-the-river hydro electricity—that's on the horizon—gasification of garbage. There's also geothermal energy and included in that, and I want to stress this, there's deep geothermal energy and low-level heating geothermal energy to produce electricity. According to a report published in the United States—and this is valid for Canada—by 2050, if we were to invest in deep geothermal energy alone, we'd produce all the electricity we need, and that's from the heat that's found in the ground.

So given this—and I'm sure you're aware of these projects—you have decided to invest \$111 million and almost 10 times that amount in nuclear energy. Don't tell me where you're investing the money, Mr. Lunn; I know where it's going. Tell me why you're not investing more in renewable energy. You said earlier, and rightly so, that there is major economic development, and that half of our exports come from natural resources and that you are very sensitive to the environment and health and that because of all that we don't need any reassurance. We need reassurance when it comes to nuclear energy, but not for that. Tell me why you're not investing more money in these forms of renewable energy.

[English]

Hon. Gary Lunn: Thank you very much.

On the \$111 million, with all respect, I believe you're mistaken. The \$111 million is purely on biofuels. That money is not in renewable energy. It's about \$111 million or \$112 million. I believe it's \$112 million. I'm going by memory, but that number you're talking about is for the biofuel program, not the renewable energy.

We put \$3.5 billion into clean energy. We announced \$1.5 billion for 4,000 megawatts of clean, renewable energy, everything from wind, tidal, solar, biomass, as a production incentive. So that money doesn't flow until they start producing the electricity. Some of that's flowing now, but once they start producing that electricity the amount of clean electricity we're going to put on the grid is 4,000 megawatts. That's the equivalent of 12—

[Translation]

Mr. Christian Ouellet: Just a moment.

That's on the investment side. I am asking you about the contribution for research. Clearly, the contribution to research amounts to \$111 million. Indeed, \$112 million were set aside for biofuels. But the amount for research and development is \$111 million, while the other amount goes to fund research, development and part of the safety component, which is obviously a must in the area of nuclear energy, but which isn't a concern with the other forms of energy. So, one billion dollars is being invested in nuclear energy.

[English]

Hon. Gary Lunn: I can assure we're doing a lot more research. To give you an example, what we're doing on our clean coal project in Saskatchewan, \$240 million, that's a commercial scale, but think of it as a research project for clean energy that's emission-free, no pollutants, no carbon dioxide. So we are making significant investments in clean energy, both in the production and in the research as well.

I would invite the committee members to take a field trip and go out to Bells Corners. Go out to the labs at NRCan and see what our own scientists are doing there. You'll be very impressed at the work they are doing. But we're also partnering with industry. We're putting money into this.

The other thing we've done is we've put in Sustainable Development Technology Canada.... Again, this is an agency that reports to me. I believe we put in an additional \$500 million just in the development of next-generation biofuels, cellulosic ethanol. As well, they have hundreds of millions of dollars they go out to the

private sector with. People put in applications—and all this is done arm's length from the government, but we fund it 100%—and they select projects. Some are relatively simple.

I'll give you some examples. North America's first tidal turbine, off the coast of Victoria, had significant funding from Sustainable Development Technology Canada. But there are projects in clean energy—

• (1255)

[Translation]

Mr. Christian Ouellet: That's an investment; it's not research.

[English]

Hon. Gary Lunn: That research is being done, and that's exactly where this is coming from. So I would submit that we're spending a lot more than your one-line item in the budget, but it is being flowed through other agencies.

The Chair: Monsieur Ouellet, your time is up.

We go now to the final questioner to the minister, to Mr. Harris, for up to five minutes. Go ahead, please.

Mr. Richard Harris (Cariboo—Prince George, CPC): Thank you, Mr. Chair.

Perhaps in all fairness, Minister, we should clarify something. A proposed motion came to the committee regarding a round table of sorts, but it was never passed at this committee. And now that I've said that, I want to thank you for taking the initiative to put together a round table on the future of forestry in our country.

I know it's going to attract leaders in forestry from all across the country, and I think it will be a very appropriate partner to the report that's going to come out of this committee as we wind up our studies on the future of the forest industry, the challenges and opportunities we face in Canada. So I think it's a good one-two move for the government to have some clarity on where the forest industry is going in the country, both in the manufactured lumber and the pulp and paper industries, as well as the additional value-added products we expect out of it.

Thank you for that, Minister.

I want to talk just briefly about some of the spending that's mentioned in the budget. Of course you knew I was going to bring up mountain pine beetle, and I see there's \$30.8 million allotted in this fiscal year. Can you just give us a brief outline on how those funds are going to be spent?

Then you might want to comment on the forest communities program, because this is really important to our forest industry. I think there's about \$1 billion for that.

Hon. Gary Lunn: First of all, on the mountain pine beetle, it's actually almost \$100 million we're spending on the mountain pine beetle this year. I think it's just shy of \$100 million.

The reason only \$30.8 million shows up in the estimates is because some of this money is flowed through the western diversification program for community economic development and some of the money is actually flowed through Transport Canada for larger infrastructural projects in a number of airports, bridges, and infrastructure that we know promotes economic growth.

In fact there will be almost \$100 million coming directly out of the pine beetle money this fiscal year. It's simply not coming through our department. So that's why you're seeing that.

Mr. Richard Harris: I appreciate that. It was my mistake. I think there's a total of about \$98 million coming. I forgot the departments momentarily.

Hon. Gary Lunn: Yes, it's \$98-point-something million. Again, I don't have the exact amount. It's a little over \$98 million. The deputy can probably get you an exact number, and if you need it we can get you that later on.

With the community development trust, is that what you're referring to?

Mr. Richard Harris: Yes. The forest communities trust.

Hon. Gary Lunn: Again, this was money that was given to the provinces to help workers in the downturn within specific sectors. One province may have other priorities over another province, but the goal is for the provinces to administer initiatives to help these communities and to help the workers. Really, that's where to put the focus.

We will be working with the provinces. I know in my home province of British Columbia, I have a great level of cooperation with the provincial ministers involved. I don't have the details of how each province is structured and what those initiatives are looking at, and it's still relatively early. The money has flowed to the provinces, but they take time to develop how they'll get that money out to the communities.

We really did believe that it was in the best interests, that the provinces were best suited to know what the needs of their provinces were and how best to have that money flow. That money was distributed on equitable formulas to ensure that every province gets its fair share, as well as the territories, and that's how that was done.

• (1300)

Mr. Richard Harris: Yes.

Minister, I think you appreciate that when it comes to the challenges and the opportunities in the forest industry, as you have indicated, there is no such thing as a cookie-cutter approach to it, and every area in the country is unique in their challenges and opportunities.

I want to applaud you for your approach and also encourage you to stay true to that vision, because we cannot for a moment fail to recognize that we have unique forest industry challenges and opportunities and differences as between one area and another.

We have seen previous governments, going back two to three decades, where they have tended to look at the forest industry in Canada as a single entity without respect to the differing features of different parts of the country. So I want to really stress my hope that you continue with this vision.

Hon. Gary Lunn: Thank you very much, I appreciate that.

The Chair: Thank you, Mr. Harris.

Thank you, Minister, for coming today. We appreciate that very much. I appreciate you answering the questions on the budget of your department and the spending in your department. I wish you the

very best in the future. I know we'll have you back at this committee soon. You have made yourself readily available.

I'll suspend the meeting for one minute, then we'll come back with the deputy minister and associate deputy minister for further questions.

Mr. Minister, do you have a closing comment?

Hon. Gary Lunn: I only wanted to thank the committee for the work you do. This is one of the better committees on Parliament Hill, and I hear you work in a bipartisan way in all your studies.

Again, I appreciate the support that I get from the committee, the work that you do, and hopefully you'll be able to join us at the forestry round table. I look forward to working with all my colleagues from all parties in the coming months to ensure that we really show how important this sector is to our economy, and to work on solving some of the challenges in the forest sector.

Thank you very much for having me.

The Chair: Thank you, Mr. Minister.

- _____ (Pause) _____
-
- (1305)

The Chair: We will resume the meeting. For the second hour we have as witnesses Deputy Minister Cassie Doyle and Assistant Deputy Minister Richard Tobin.

Mr. St. Amand.

Mr. Lloyd St. Amand (Brant, Lib.): Thank you, Mr. Chair.

Nice to see you again, Ms. Doyle and Mr. Tobin. Thank you for coming.

Ms. Doyle, during his presentation the minister talked quite effusively about nuclear and to some extent about coal. I want to know what the department is doing, as a matter of leadership, however incrementally, to wean us off our dependence on oil and gas and aggressively endeavour to develop a wind industry and a solar industry in Canada.

I believe that we are laggards internationally with respect to both wind and solar, that we have done not very much to develop these sectors. We have abundant wind—particularly in Ottawa, many say. We have abundant sun across Canada. There is no reason that we can't develop a strong wind and solar industry sector, so I'd like to know what the government is doing as a demonstration of leadership.

Ms. Cassie Doyle (Deputy Minister, Department of Natural Resources): This is a very good question. It relates to the overall strategy of our ecoENERGY initiative, which has been the focus of our energy work over the last year. It is aimed at supporting a diverse approach to energy production.

Renewables and solar are both priorities under that ecoENERGY Initiative. We have put \$1.5 billion into ecoENERGY for renewable power. It is focused on wind but also includes other forms of renewable energy, like biomass. That's a key platform of the ecoENERGY initiative. We also have an ecoENERGY for renewable heat program that's aimed at the deployment of solar-powered air and water heating systems in the commercial, industrial, and institutional sectors.

It's fair to say that our approach under ecoENERGY has been to support not only renewables and a diversification of our energy supply, but also energy efficiency. That's a key second objective. A third is energy research and development. In those key areas of renewables, we have research that is undertaken in our own laboratories. Bells Corners is an energy research institute, and I would certainly echo the minister's invitation to the committee to come for a tour of this facility. It's impressive what our own scientists are doing in these areas.

Mr. Lloyd St. Amand: I wasn't trying to suggest in my question that we're doing nothing. Some funds are being contributed. Some funds are being earmarked for renewables, for wind and solar, etc. The funding is more than tokenism, but in my view it's not nearly as bountiful as it could be. There seems to be a mindset that nuclear and coal are the way to go, that it's nice to have little boutique wind and solar industries, but that we're not really keen about promoting them.

Can you disagree with that, or better yet agree with it?

Ms. Cassie Doyle: I'm sure the honourable member would recognize that I wouldn't be of the same mind on that front. Over the course of the last half a decade at NRCan, the largest investment that we have made in supporting energy production has been in wind. This is continued with ecoENERGY for renewables. That's a \$1.5-billion initiative, and it builds on early initiatives under the wind power production incentive. It represents the largest amount of funding that we're dedicating to a particular energy production incentive—far larger on an annual basis than support for nuclear energy.

I'd be happy to provide you with an overview of our investments. But I also want to reiterate that we are not only funding programs. We also undertake a significant amount of research, R and D, within the department itself. There has been a strong focus on renewables, biomass, and other forms of alternative energy.

You have to look at it as a package in relation to our departmental priorities.

• (1310)

Mr. Lloyd St. Amand: How is that translated on the ground, so to speak? What are the benchmarks? Five years ago nobody was developing solar energy products, and now there are 18 companies. What is the on-the-ground data with respect to the payoff, so to speak, in terms of developing the industry?

Ms. Cassie Doyle: I'm just wondering if my ADM from energy technology might want to add something. We can certainly provide some of that information. I just don't have those specifics with me.

The Chair: We'll just take a few seconds here.

Ms. Cassie Doyle: Sure. This is Margaret McCuaig-Johnston, our assistant deputy minister for energy technology programs.

The Chair: Thank you.

Go ahead.

Mrs. Margaret McCuaig-Johnston (Assistant Deputy Minister, Energy Technology and Programs Sector, Department of Natural Resources): Thank you very much.

I would just mention briefly that the department is investing in the future of Canada's capacity for wind technology through the technology road map we've just initiated with the industry and the environmental organizations involved in wind. In fact, the first meeting of the steering committee of that initiative was last week, in Alberta. It's being chaired by Dawn Farrell, president of TransAlta Wind. It involves the whole cross-section of the wind industry in Canada: the delivery agents and technology producers and the hydros that have to integrate their grids with the wind capacity.

What we're endeavouring to do with this initiative is identify where Canada has its strengths, where there may be technology gaps, and where there's economic development potential for Canadian companies to contribute. We also want to learn where there's international potential to collaborate with wind leaders in other countries and to build on their research and development. This is a very focused technology road map that will be completed early next year. It will lead to an identification of all the technology development that can be done in the wind area as well as to potential policy and regulatory barriers that will need to be addressed.

It follows quite a bit the model for carbon dioxide capture and storage, the subject of one of our technology road maps a year and a half ago. It led to a CCS task force that identified policy and regulatory measures that needed to be developed. That, in turn, led to the investment in CCS in the last budget.

On the solar front....

The Chair: Okay, be very brief on solar.

Mrs. Margaret McCuaig-Johnston: At our lab at Varennes, initiated for academic research on solar technology, a solar research network, which is now being sponsored by the Natural Sciences and Engineering Research Council, pulls together all the researchers in solar from across the country who are doing research in technology. Even more important, they are trying to get the costs of solar down, because the real barrier to putting more solar out in the community is the very high cost of it.

So on those two fronts, we're taking technology development very seriously.

The Chair: Thank you.

Thank you, Mr. St. Amand.

We go now back to the government side, to Mr. Trost, for up to five minutes. Go ahead, please.

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

One of the not highly publicized issues but more important issues that has been around since I was elected to Parliament about four years ago has to do with issues concerning regulation and regulatory reform. I remember that when this committee was part of the industry committee, the smart regulation report was coming out. I'm going to let you take quite a bit of leeway, when you answer this question, to give general answers and also specifics.

I know that the department has been taking some leadership on smart regulation. There's the major projects office and various other things. Could you give us an update as far as what's being done, what sorts of benchmarks are being used to quantify or evaluate the progress you're making on smart regulation, and what sorts of problems you're finding? And can you offer some solutions for us as parliamentarians to help speed along the process of smart regulation?

• (1315)

Ms. Cassie Doyle: That question really relates well to one of the department's priorities over the last year and a half. That was how to take the overall smart regulation approach and apply it to major natural resource projects. The reason we had been drawn into this priority was the fact that we have, for one thing, a significant increase in the demand on our regulatory agencies in review and assessment of large natural resource projects. There's about \$300 billion worth of projects that are pending review—either are in review or pending review now—at the federal level.

One thing we had heard loud and clear from a number of different stakeholders was that our overall systems within the federal government lacked a coordinating or management function. In the development of the major projects management office, which the minister referred to and which was funded in budget 2007, the aim was to improve significantly the performance of the federal government overall when it came to the review of major natural resource projects. So it's not only the environment assessment, which is coordinated by the Canadian Environmental Assessment Agency, but the regulatory review by departments like DFO, Transport Canada, and Environment Canada. NRCan itself is a regulator when it comes to the area of explosives on large NR projects.

The idea was to pull together an office that would be able to establish an overall management regime for these projects. We secured a cabinet directive that provided a direction to all regulatory agencies to work together and sign large agreements for these large projects. The office itself was funded out of budget 2007. It provided not only the funding for that office but also support for capacity in the other major regulatory agencies. It was launched in February of this year, so it's now up and operational. We are just finalizing project agreements and templates for these agreements that will contain timelines and distinct accountabilities for each regulatory agency.

I think this will improve significantly the performance of our regulatory system. We certainly will rely on committees like your own to be reviewing progress on that front as we proceed, because

just the volume of natural resource activity under way is so vital for the economy and the environment of the country.

Mr. Bradley Trost: I realize that with the limited time it's been up and running it may be difficult to state benchmarks, success, etc., so I'll be fair.

When might you be able to start reporting back and be able to say what has been a success and what hasn't been a success as far as the construction of the office and the integration of resources are concerned? When do you anticipate first being able to report back and say yes, this has worked, or this needs some modification? When might we as a committee look for that sort of response?

Ms. Cassie Doyle: It's a good question. I would think that realistically—

Mr. Bradley Trost: I know it may not be a totally fair question, but we're talking ballparks, and I'm not holding you to anything specific.

Ms. Cassie Doyle: I think that after one year of operation we would be in a position to report back on the progress made through that office.

I also wanted to add that one of the objectives of this initiative was to increase the transparency of how the overall regulatory system works. So there will be a website that will post the key milestones for each project. That will be made available publicly to stakeholders and of course to committee members. This will be an opportunity to actually track and monitor how the office is actually progressing in terms of meeting its objectives under each project agreement. Realistically, in terms of reporting on progress, it will be about a year.

The Chair: Thank you, Mr. Trost.

Now we go to Mr. Tonks. You know, I just can't tell the two of you apart.

Mr. Tonks, over to you, please.

• (1320)

Mr. Alan Tonks (York South—Weston, Lib.): Thank you, Mr. Chairman.

Ms. Doyle, could you just lead the committee through the fiscal relationship we have under the offshore natural gas and oil agreement, which is the storyline for the billion dollars that is in the estimates with respect to payments under the program? As part of that, could you delineate what factors would change that estimate from year to year?

Ms. Cassie Doyle: Yes, certainly. Thank you for the question. I'd be happy to respond.

NRCan is responsible for making these statutory payments to Nova Scotia and to Newfoundland and Labrador in an amount equal to royalty and other payments received by the federal government from offshore oil and gas activities. The level of these payments is influenced by the production levels of each offshore board, as well as by the oil and natural gas prices. The variance you can observe year to year is really related to the production levels and to what the price of natural gas is, which is quite volatile, as you well know, and of oil, which continues to climb.

The offshore accords with Nova Scotia and with Newfoundland and Labrador provide that revenues from the offshore should flow to the respective provinces as if the resources were on land. It's essentially the same regime.

Mr. Alan Tonks: Are there any other ministries in which there are budgeted amounts? Why is it through NRCan that this regime exists?

Ms. Cassie Doyle: I'm not sure I'm going to be able to answer that, but I know that our department is specified in the offshore accords. That legislation specifies Natural Resources Canada as the department that acts as the manager, if you will, of those revenues coming into government and then flowing out to the offshore boards. It's the Minister of Natural Resources who is the lead minister for both of the offshore boards.

Mr. Alan Tonks: I see.

Just pursuant to that, I noticed, and I'm sure the committee has noted, that the 2008-09 estimates are 6% more than the 2007-08 estimates and actually 30% more than in 2006-07. What really constitutes the increase to that extent in the programs and expenditures? What would be the major changes and major shift in policy or programs, if that's what accounts for this?

Ms. Cassie Doyle: Thank you for that question.

I understand the primary inflationary impact is derived from the increase in the price of oil; that's what's causing those revenues to increase. There's some variance or change in production levels of the boards, but it primarily can be accounted for by the price of oil.

Mr. Alan Tonks: I'm not totally happy with that answer, because I was hoping, Ms. Doyle, that given the nature and intent of the questions on program expansion in research and development and Mr. Boshcoff's or Mr. St. Amand's questions with respect to solar or wind, there would be more of a reflection that this is visionary as opposed to systemic.

Ms. Cassie Doyle: Pardon me. I may have misinterpreted your last question. Are you speaking about the overall estimates and the increase in our overall estimates?

Mr. Alan Tonks: Yes, that's right.

Ms. Cassie Doyle: I'd be happy to give a much more textured response.

The main reason for the increases is the representation of new priorities on the part of the government in the area of natural resources. Some of the examples include the increase that accounts for the investments in the forest industry long-term competitiveness strategy and the investments in offshore development to which the minister made reference in terms of the investments we're making in research and development to substantiate our claims under the UN Convention on the Law of the Sea.

We have investments, of course, in the mountain pine beetle that are reflected in that increase. We have investments in nuclear waste legacy liabilities, which were announced in 2006, as well as increases in the low-level radioactive waste clean-up at Port Hope. We have additional investments that reflect the costs for the relocation of our CANMET laboratories, which will be relocated to a new innovation cluster at McMaster University. Also, there are overall investments in the clean air agenda, which are represented through the ecoENERGY investments.

•(1325)

Mr. Alan Tonks: Good. Thank you.

Thank you, Mr. Chairman.

The Chair: Thank you, Mr. Tonks.

We go now to the government side and Mr. Allen for five minutes.

Mr. Mike Allen: Thank you, Mr. Chair.

There are three questions I'd like to ask.

We've talked a lot about the pine beetle. One of the things we heard about in our testimony in committee was the emergence of the brown spruce longhorn beetle in Atlantic Canada. Right now, there's a CFIA containment area or cordoned-off area around Halifax for the brown spruce longhorn beetle.

There are a couple of line items in the budget that talk about the development of a national forest pest strategy, but also an invasive alien species strategy, and this is an invasive alien species. What I'd like to understand is, considering the impact this could have in the future, is the brown spruce longhorn beetle part of that strategy and is it among these invasive alien species?

Ms. Cassie Doyle: Mr. Chair, if I may, I'll ask my assistant deputy minister for the Canadian Forest Service to respond.

The Chair: Go ahead, please.

Mr. Jim Farrell (Assistant Deputy Minister, Canadian Forest Service, Department of Natural Resources): Thank you, Mr. Chair.

Actually, that is correct. There are funds from both of those envelopes that are dedicated specifically to a research and development agenda that's developed in partnership with the Food Inspection Agency as well as the Province of Nova Scotia, to better define some of the scientific issues in terms of the outbreak, to better forecast spread, as well as to give advice to CFIA around issues like the quarantine zone, the ministerial order. So in fact it's a three-year R and D agenda. We're into the second year now, and it's funded for the third year as well.

Mr. Mike Allen: Can you tell me how much the funding is for that?

Mr. Jim Farrell: I could get back to the committee specifically on that number. It's around \$3 million or so, but I will get back with a specific number. There are contributions from our own department, as well as the Food Inspection Agency, to bring that program together.

Mr. Mike Allen: That would be very helpful. Thank you.

My next question is on FPInnovations and the \$127.5 million innovation fund. One of the things I'd like to understand is how much of the FPInnovations funding has flowed to recipients. And what are the mechanics to get that money out there? Because I keep hearing from people on the ground that they don't even know this thing exists and they don't know how to apply for it and they don't know what kinds of projects would even fall under the scope of the FPInnovations.

Mr. Jim Farrell: Mr. Chair, could I respond to that?

It's currently not designed as a fund that's out there for a request for proposals. It's a partnership fund designed around four or five key priorities with FPInnovations.

The board of FPInnovations comprises industry members from across Canada, the provinces, and some academic people as well. In most regions of the country they've gone out and negotiated collaborative arrangements with universities and with provinces more focused on the regional issues.

For example, there's a very active agenda being developed in Ontario, and one in Newfoundland and Labrador. I'm not sure about Nova Scotia, specifically, but certainly we've worked very closely with the firms in Nova Scotia, as well as with the Nova Scotia government. Some of the priorities around that agenda are around setting the agenda for future investments, things like nanotechnology, things like unique attributes of the Canadian fibre so as to get a competitive advantage in applications in, say, specialty pulps, as well as uniquely Canadian shelter systems using wood, the non-residential use of wood in terms of construction. So there are a number of priorities, designed around setting an agenda for the future.

If there are specific interests from some of your firms or organizations, I'd be quite happy to take them and forward them to FPInnovations for consideration. They've been very active out there, actually, in dealing with firms across the country.

We also have a value-added wood program that we partner with the provinces and the industry and FPInnovations in putting what we call industrial advisers out in the field. And they actually visit individuals—mainly small value-added firms—to give advice on process control, on marketing, and on investment in terms of making them more productive and more competitive.

• (1330)

The Chair: You have one minute, Mr. Allen.

Mr. Mike Allen: I want to come back to solar water heating. The minister just touched on it. There are 200 contribution agreements that have been signed on the solar water heating systems. I was just at a trade show on the weekend where some of these solar water heating systems can be installed where the payback seems to be around eight to ten years right now.

Can you tell me, of these 200 contribution agreements, who are they with, and is there going to be a thought of extending those to having that as an application program for residences?

Ms. Cassie Doyle: The ecoENERGY for renewable heat program, which the minister was mentioning, did have, this year, 200 contribution agreements. Those were signed with clients in the

commercial, industrial, and institutional sectors. So that is the focus of that program at the present time.

I think there is some interest in looking at the potential of domestic partners in the future, but right now we thought we would get the best understanding and deployment within the small-business and institutional sector. So that's the focus for the current program.

Mr. Mike Allen: Thank you, Mr. Chair.

The Chair: Thank you, Mr. Allen.

We'll now go back to the official opposition, to Mr. Boshcoff for up to five minutes. Go ahead, please.

Mr. Ken Boshcoff: Thank you very much.

Is there any direct hope from the federal government for unemployed forestry workers who've lost their jobs, such as extensions of EI benefits and those types of things? When you were here before, you advised that the \$300 million for the competitiveness fund would be going directly to the provinces and territories. So that's \$300 million divided by 13. I'm trying to determine how we can really get involved with workers and have a federal stamp on it—some kind of statement showing that the federal government is there helping, as opposed to just transferring money.

I don't know if you are aware that the honourable member for Thunder Bay—Superior North said in the finance committee that he had seven or eight projects on the go on this. I haven't received any details of this funding myself, so I'm wondering how we can apply for this, because our communities are certainly asking for it.

Specifically, how many trees have been saved from the infestation over the past number of years, and how many beetles have been stopped? I don't want to say that the minister is mathematically challenged when he says that \$38 million is more than \$1.5 billion, but....

Why don't you answer those three questions first.

Thank you.

Ms. Cassie Doyle: Thank you, Mr. Chair.

I'll start with the question on the government's response to unemployed forest workers, and then perhaps ask my ADM for the forestry sector to get into more details around the number of beetles.

We had some discussion when I was last here on the question of the community development trust. That program is not run from my department, but it's certainly aimed at providing resources to the provinces to work with forest-level communities.

Mr. Ken Boshcoff: I meant the community development trust.

Ms. Cassie Doyle: Yes. As the minister mentioned, a decision was taken by the government to provide resources to provincial governments to address readjustment programs, or support for individual unemployed forest workers at the community level.

The perspective we have at National Resources Canada is to focus on the competitiveness of the forestry industry. So some of the initiatives that have been discussed here today are really aimed at supporting innovation and overall markets for our forest sector in Canada to increase or provide support on that side. So I think it's the community development trust as well. It has been well publicized. It was a decision that provinces would be in the best position to work at the community level in areas of readjustment.

I'll ask my ADM—I'm not sure it's fair or not—to answer the questions around the numbers.

• (1335)

The Chair: Mr. Farrell, are you ADM for the Canadian Forest Service?

Mr. Jim Farrell: Yes.

The Chair: Have you done a head count on those beetles?

Mr. Jim Farrell: I'll maybe defer to Mr. Harris on that, as he lives closer to the beetles than I do. But when we speak about beetles we're talking about billions of them. The numbers are actually quite staggering, and the extent of the infestation in terms of the numbers of trees goes into the millions as well.

If the question is on what sort of success we have had in slowing it down, we have scientists working in the field this month. They are doing assessments on what sort of combined impact the weather last fall and winter has had on beetle survival and spread, as well as what sort of success we've had in Alberta and British Columbia with the control efforts we made over the winter.

In the labs, as well as with the models we've used, the indication is that there has been an impact. There has been a reduction in the numbers of beetles that can actually prosper in the next growing season, but I can't give you a specific answer on that until the field studies are completed in May. It does look quite hopeful, and for that reason we increased our investment over the winter in northeastern British and northwestern Alberta in that band where the beetles have moved into Alberta and are possibly threatening the boreal forest.

I certainly can give you more information as the analysis is completed toward the end of May.

The Chair: Thank you, Mr. Boshcoff.

Now we'll go to the Bloc Québécois and Monsieur Bigras. You have up to five minutes.

[*Translation*]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Thank you, Mr. Chairman.

I would like to welcome the deputy minister. On December 3, 2007, your government announced the eligibility requirements for \$1.5 billion in biofuel production incentives available through the ecoENERGY initiative. That policy is intended to increase corn ethanol production from 212 million litres in 2003 to over 3 billion litres in the coming years; quite an ambitious plan.

Have you analyzed how much energy is spent through corn ethanol combustion compared with how much energy is needed to produce corn ethanol? Has your department done such an assessment? If so, could you table it with us?

I was also surprised by a number of studies that show that 1,700 litres of fresh water are needed to produce a single litre of ethanol, and that 12 litres of noxious waste are released into the environment, including pesticides and fertilizers.

Earlier, you spoke about a guideline from the Prime Minister's Office concerning regulations. I would like to remind you that another guideline dating back 25 years calls on all departments to conduct a strategic environmental review of policies, plans and programs put forward by the federal government and departments.

Have you carried out a strategic environmental review of your biofuel production incentives policy, particularly with regard to corn ethanol production? Is there such a strategic environmental review? If so, could you table it with the committee?

[*English*]

The Chair: Please go ahead, Deputy Minister.

Ms. Cassie Doyle: Thank you, Mr. Chair.

Thank you for those questions. They are certainly very pertinent.

In terms of the first question, which is about the studies done around the net energy used in the production of ethanol, a fair amount of research has been undertaken on that front. I can't name a particular study that has been undertaken by NRCan, but I do believe there is some research we have used in the development of our ethanol program. I'll ask my ADM of energy technology to follow up on this one.

With regard to a strategic review in relation to the production incentive, I'm quite sure we did that, because it's a requirement, as you know, on each one of our new program developments. I'd be happy to provide that to the committee.

• (1340)

[*Translation*]

Mr. Bernard Bigras: So you will commit to tabling that strategic review with the committee?

[*English*]

Ms. Cassie Doyle: Yes, you have that commitment.

I wanted to mention that the development of a production incentive for biofuels replaces an exemption on the excise tax for biofuels. There was this switchover from an exemption on the excise tax to an actual dedicated and focused production incentive. That program just came into effect April 1. We're starting that program as of April 1, 2008.

The Chair: Ms. McCuaig-Johnston, you are ADM for energy and technology. Please go ahead and answer the other part of the question, if you would.

Mrs. Margaret McCuaig-Johnston: Thank you very much, Mr. Chair.

I would add that in terms of the benefits of corn ethanol specifically, the statistics we have are that there's a 40% improvement over the traditional gasoline used in vehicles. With respect to the next-generation ethanol, the statistics are closer to 60% to 100%, depending on what the ethanol or biodiesel is made from—cellulosic, of course, being much more green than other forms.

[Translation]

Mr. Christian Ouellet: Mr. Chairman, may I continue?

[English]

The Chair: Mr. Bigras, if you're finished, we'll go to Monsieur Ouellet for 30 seconds.

[Translation]

Mr. Christian Ouellet: I challenge your assertion, but that is not what I wanted to address, because biodiesel has an effectiveness rate of at least 25%.

I would like to talk about biodiesel. The minister indicated earlier that \$142 million was spent—and that is a fact—on biofuels, as part of the contribution to the ecoENERGY program. If you add that to the contributions from other departments, I suppose that the amount could easily be close to \$200 million.

Could you tell us, given that there are three types of ethanol—ethanol made from corn or sugar cane; biomass ethanol; and ethanol produced using industrial and domestic waste—how much money is allocated to each of these three types of ethanol?

[English]

The Chair: Can we have a very short answer, please?

Ms. Cassie Doyle: Mr. Chair, I think we'll have to get back to the committee with those figures. I don't have them in front of me.

The Chair: Okay, we'll look for that. Thank you.

Merci, Monsieur Ouellet. Your time is more than up.

We go now to Ms. Bell, for up to five minutes.

Ms. Catherine Bell: Thank you, Mr. Chair.

I'm going to change topics and talk about the National Energy Board. Recently the NEB approved two more pipelines—Alberta Clipper and Southern Lights—that will transport, it's proposed, raw bitumen to refineries in the U.S.A. Some arguments have been made that this will impact jobs in our refineries in Canada.

I understand that we don't have the capacity at this point, but at some point, if we were to build that capacity, we would not be able to turn off the pipeline and supply our own refining jobs here in Canada, because there's a clause in NAFTA that says we can't do that.

The other thing is that this would increase production of the oil sands by significant amounts and add to our greenhouse gas emissions. We already know that most of our GHGs are coming from oil sands.

It also speaks to the security of our energy—again, based on the clause in NAFTA that says we can't turn off the tap and also our commitment to supply U.S. markets by a percentage. The more we ship, the percentage stays the same but the more they're entitled to.

Given the minister's statement previously on the objectives of NRCan about environmental responsibility, safety and security—I'm talking energy security in this instance—and economic competitiveness, I'm just wondering, how does the pipeline project fit in with those objectives? Does the National Energy Board have different

objectives from those of NRCan, and that override our environmental sustainability objectives?

• (1345)

Ms. Cassie Doyle: Thank you, Mr. Chair.

That's a fairly wide-ranging question. I'll do my best to make some comments on it.

The National Energy Board, as you know, has the specific mandate to review projects, infrastructure projects particularly that cross interprovincial or international boundaries, and so is very much involved with the Clipper and Southern Lights. It doesn't set trade policy per se. As you mentioned, we are subject to larger trade agreements such as the North American FTA.

It is the case right now that the capacity for refining and upgrading is below the amount that's actually being produced out of the oil sands. I just want to mention that the reality of the oil sands is that it's growing in terms of its production. In fact, in relationship to GHGs, it's not at all the highest or largest proportion of GHG emissions in Canada—in fact, that honour goes to the electricity sector in this country—but it is the fastest-growing area of GHG emissions. Those were addressed recently in “Turning the Corner”, the regulatory framework announced by the Minister of the Environment. It will make a big difference in terms of the amount of emissions from the oil sands.

Just going back to what the minister was mentioning, our strategic objectives at NRCan are very much around economic competitiveness, environmental leadership, and the safety and security of Canadians and our natural resources. We do work on that in conjunction, very closely, with the provinces. As you will understand, a lot of the determinations on the pace of development rest with the provinces in terms of their ownership of the resources.

But we have a particular role to play, and we do that through our own department and through the portfolio agencies like the National Energy Board, who are prescribed by their own act in terms of how they make their decisions. As I mentioned, they make them within the context of existing trade agreements and our trade obligations.

The Chair: You have one minute, Ms. Bell.

Ms. Catherine Bell: Thank you.

Just as a follow-up to that, I have to reiterate, I guess, the clause in NAFTA that says once we start shipping to the U.S. a raw product, we cannot turn the tap off for the purpose of adding value. I think it's article 605(c). I'd have to look up the exact clause in NAFTA, but the way it's worded is that if we start sending our product, we cannot add value here in Canada at a future date. We've basically given away our opportunities for employment in refineries, if we were to actually build that capacity or if we were to have capacity in our eastern processing plants.

I'm just wondering, how is that securing our resource for Canada?

The Chair: Ms. Bell, your time is up, and that's hardly a question for this deputy minister. It's more a question for the trade minister, I would suggest.

Thank you. We will go now to Mr. Trost for up to five minutes.

Mr. Bradley Trost: Thank you, Mr. Chair.

I have just a small question I've had for a while. As was noted earlier, some of the arm's-length organizations are cost recovery—the Nuclear Safety Commission, for example. One of my questions on these arm's-length organizations that are based on a cost-recovery model of funding has been what are the measures to make sure they're efficient in their spending, that they're accountable to the people who are paying for them?

I'm not alleging anything here, but one could see how there could be a certain element of sloppiness if you can just charge your customer more at whatever rate you need to charge them for, and there might not be quite the incentive to watch the pennies quite as carefully. So I'm very curious as far as what measures the department takes to make sure this is done, and anything else you can say for the accountability on those issues.

Ms. Cassie Doyle: Thank you. It's an interesting question indeed.

We have two agencies within our portfolio: the National Energy Board and the Canadian Nuclear Safety Commission, which both operate under a Treasury Board policy on cost recovery. So I believe there are elements in that policy itself that outline some of the performance expectations around a cost recovery. But I also would say first and foremost that they're accountable to their own clients. Our experience, as my minister mentioned earlier, is that the clients of the National Energy Board and the CNSC have been fairly satisfied with the level of service. That's their first level of accountability.

I would be happy to check into the Treasury Board policy on cost recovery, which is provided for through that policy, the opportunity to set the levels of cost recovery for each agency, and it has recently been changed in the case of the Canadian Nuclear Safety Commission. I'd be happy to do that and report back to you in terms of more specifics. But I guess first and foremost, that we don't very often hear any negative feedback around the levels of service of our cost recovery agency, and they keep a very close watch, obviously, on their service standards. So that's probably the first level of accountability.

• (1350)

Mr. Bradley Trost: The question came to me partly because the Auditor General's report about user fees is being released today. I believe it's today. I was wondering if there was some equivalency of the Auditor General's report for CNSC and NEB, because while it may very well be that they might be providing absolutely outstanding service, on the other hand, you could see why people might be reluctant if they weren't, because of other considerations: to be impolite and publicly voice problems.

So I'm just voicing that as a suggestion to take back to the minister to look at it, because there's always a need for more accountability. I think any organization, including members, MPs' offices, etc., always knows there's room for some more efficiency that needs to be looked at. So it's just a general comment to take back.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Trost.

Anyone else from the government?

Go ahead, please, Ms. Doyle.

Ms. Cassie Doyle: If I may, I just wanted to add one comment. We have found that our cost-recovery agencies are operating with the best levels of service compared to those that do not operate on a cost-recovery basis, such as the Environmental Assessment Agency, DFO, and some of the line departments. They have then experienced backlogs because they can't keep pace. So at least within a cost-recovery model there's an ability for agencies to be resourced to the level of their demand. That's made quite a difference, I guess, in saying that the feedback we receive on those agencies is quite positive. It's because they have had the opportunity to keep the level of resourcing up to the demand, and that's not the case in all our regulatory agencies.

The Chair: Thank you.

For the final questioner of the day, from the official opposition, Mr. Regan for up to five minutes.

Hon. Geoff Regan (Halifax West, Lib.): Thank you very much, Mr. Chairman.

As you know, I haven't been here for the whole meeting. I'm replacing someone else on our side. So I hope the questions I will ask have not already been covered, but I'm sure the witnesses or you will help me in that regard if that's the case.

Let me begin by asking you about the estimates and the fact they have increased this year by 6% over last year, and they've gone up 30% from the year before that. What's occurred over the past two years to cause this large increase in the department's spending? And is there a particular area of the department the money is going to?

The Chair: This question has been asked, but if you have anything to add, Ms. Doyle, please go ahead.

Hon. Geoff Regan: It was a good question.

The Chair: It was an excellent question.

Ms. Cassie Doyle: I don't have anything to add on that front.

Hon. Geoff Regan: I'm going to abandon these notes.

The Chair: Mr. Regan, go ahead.

Hon. Geoff Regan: Let me ask you about the progress in relation to the pipelines. There have been two competing pipeline projects: the one from Alaska and of course the Beaufort Sea one. My impression is that there is kind of a hold-up and things are at a standstill a bit. What is the situation there on the Canadian side in particular?

Ms. Cassie Doyle: There are two big pipeline projects pending for the Arctic: the MacKenzie Valley pipeline and the Alaska pipeline. The pipeline that is much further advanced is the MacKenzie Valley. I wouldn't want you to think that it's stalled at all. It's actually now coming to the final phase of the review by the joint review panel that is overseen by the Canadian Environmental Assessment Agency. The National Energy Board, as well, has a joint review going on that will conclude after the report out of the joint review panel, which we understand will be late this year or early in 2009.

On the Alaska pipeline, there has been a fair amount of activity under the Alaska Gasline Inducement Act, and TransCanada Pipelines has been a successful proponent in being identified as a potential sponsor of the Alaska pipeline. I would say that, from the big picture, that project is at least three to five years behind the MacKenzie Valley pipeline project, in that it hasn't actually started any kind of regulatory review or environmental assessment.

•(1355)

Hon. Geoff Regan: In terms of which pipeline company would be selected to carry gas through Alberta, what's happened there? There was a competition between two competing pipelines to go through Alberta. I'm curious for an update on that.

Ms. Cassie Doyle: I'm sorry, I'll have to get that information for you. I don't have anything current on that.

The Chair: Thank you, Mr. Regan.

Madame DeBellefeuille, you indicated you had a short question for the deputy minister.

[*Translation*]

Mrs. Claude DeBellefeuille: Madam Deputy Minister, I had some difficulty understanding the figures that the minister gave in response to my question. My understanding is that 89,000 applications were received as part of the ecoENERGY program for homes, and that 13,000 people received cheques. Can you give us a breakdown of that figure by province?

I am concerned by the fact that the remote regions of Quebec, that do not have access to accredited appraisers, will consequently likely receive fewer subsidies through this program. I would have liked to see a breakdown by province of the 13,000 people who received cheques.

Thank you.

[*English*]

Ms. Cassie Doyle: Thank you for your question. You're right that it was in 2007-2008 that there were 13,000 homeowners who received grants. I'd be happy to table that breakdown by province.

The Chair: Thank you, Deputy Minister.

I would like to say, as well, that we're expecting some information on the percentage of ethanol by source, the amount of money spent on the longhorn beetle, and also the pipeline question. We will be looking for those.

[*Translation*]

Mr. Bernard Bigras: As well as on the strategic environmental review.

[*English*]

The Chair: That as well, Deputy Minister.

Thank you very much for coming.

Just before we adjourn the meeting, I'd like to tell the members of the committee that a hard copy of the second draft of the report will be sent to your office this afternoon.

Thank you, Deputy Minister Doyle, ADM Tobin, ADM Farrell, and ADM McCuaig-Johnston, for your answers to questions here today. We look forward to seeing you in the future, as I'm sure we will.

The meeting is adjourned.

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