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• (1100)

[English]

Mr. Dan Mazier (Dauphin—Swan River—Neepawa, CPC): Good morning, everyone. Welcome to the 84th meeting of the House of Commons Standing Committee on Environment and Sustainable Development.

Welcome to the departments that are here today and to the commissioner.

We have a pretty packed agenda today and lots of questions. I notice that you have all provided briefings, so I'll take it as the chair's prerogative to just have the commissioner do his presentation for nine minutes, and then we'll start into questions, if that's okay with everybody.

Off we go with you, Commissioner.

[Translation]

Mr. Jerry V. DeMarco (Commissioner of the Environment and Sustainable Development, Office of the Auditor General): Thank you, Mr. Chair.

[English]

We're happy to appear before your committee to discuss five reports that were tabled in the House of Commons on Tuesday.

I would like to acknowledge that this hearing is taking place on the traditional unceded territory of the Algonquin Anishinabe people.

With me today are Kimberley Leach, James McKenzie, Susan Gomez and David Normand, who are responsible for the audits.

[Translation]

Three of our five reports are about reductions in greenhouse gas emissions that are urgently needed to address the global climate crisis.

Emissions in Canada are higher today than when this country and the world first committed to fighting climate change, more than 30 years ago.

[English]

Targets and plans have come and gone, and Canada has yet to deliver on any. Meanwhile, the need to reverse the trend on Canada's greenhouse gas emissions has grown only more pressing. This is not my first time sounding the alarm, and I will continue to do so until Canada turns the tide.

Our first audit focuses on the 2030 emissions reduction plan developed by Environment and Climate Change Canada under the new Canadian Net-Zero Emissions Accountability Act. While we were not required to begin reporting on the implementation of this plan until the end of 2024, given the urgent need for Canada to up its game in the fight against climate change, we decided to move more quickly.

We found that the plan was insufficient to meet Canada's target to reduce emissions by 40% to 45% below the 2005 level by 2030.

[Translation]

In its most recent projections, Environment and Climate Change Canada disclosed that the measures detailed in the plan would reduce emissions by only 34% below the 2005 level.

Measures needed to meet the 2030 target were delayed by departments or were not prioritized. We found a lack of reliability and transparency in economic and emission modelling, leading the government to make overly optimistic assumptions about emission reductions.

I was also concerned to find that responsibility for reducing emissions was fragmented among multiple federal entities not directly accountable to the Minister of Environment and Climate Change. This means that the minister has no authority to commit other entities to meet the target.

[English]

On the positive side, measures in the plan such as carbon pricing and regulations have the potential for deep emissions reductions if they are stringent enough and applied widely. The federal government can still reduce emissions and meet its 2030 target with drive, focus and leadership. Implementing our recommendations would be a step in the right direction.

Let's turn now to our report on departmental progress in implementing sustainable development strategies. We assessed the progress made by National Defence, Parks Canada, Fisheries and Oceans Canada and the Canada Border Services Agency in meeting the target of converting 80% of the federal fleet to zero-emission vehicles by 2030. Together, these four organizations are responsible for most of the vehicles owned by the federal government.

We found that the percentage of zero-emission vehicles across all four organizations was very low, ranging from 1% to 3% in 2022.

• (1105)

[Translation]

At this pace, only 13% of federal vehicles will be zero emissions by 2030, a far cry from the 80% target. None of the organizations had a strategic approach for how they planned to meet the target.

With a target date of 2030 and given that the government typically replaces its vehicles on a seven-year cycle, these organizations must act quickly to develop and implement realistic plans for acquiring zero-emission vehicles so that the government fleet can help reduce greenhouse gas emissions.

[English]

Also on the topic of zero-emission vehicles, our audit of the zero-emission vehicle infrastructure program found that Natural Resources Canada had contributed to expanding the charging infrastructure overall. The program is set to exceed its 2026 target of installing 33,500 charging ports. As of July 2023, 33,887 charging ports were either completed or under development.

However, we also found that in funding charging stations, the department had not prioritized underserved areas, including rural, remote and indigenous communities, and lower-income areas. The vast majority of ports were located in Ontario, Quebec and British Columbia.

[Translation]

While the federal government is not solely responsible for funding charging stations for zero-emission vehicles, it can do more to help bridge the gaps in infrastructure that are unlikely to be addressed by the private sector. We found that Natural Resources Canada did not collect data to help it identify these gaps, nor did it set targets for underserved areas.

[English]

There remains a large gap between the current number of charging stations and those needed by 2035. Natural Resources Canada needs to work with other levels of government and with the private sector to address gaps in charging infrastructure so that Canadians feel confident making the switch to zero-emission vehicles.

[Translation]

Let's turn now to our audit of monitoring commercial marine fisheries catch.

We found that Fisheries and Oceans Canada was unable to collect dependable and timely fish catch data. The department did not have a full picture of the health of Canada's fish stocks. We also noted that the department needed to improve its oversight of the information it receives from third parties.

We found that many of the weaknesses we reported when we last audited this area seven years ago remain problematic. For example, the department created a fishery monitoring policy in response to a recommendation in our 2017 report, but we found that it had not implemented this policy nor supported it with resources or an action plan.

[English]

Seven years ago, we also flagged that Fisheries and Oceans Canada's information systems needed to be modernized to support the collection of dependable and timely data. We found that progress in this area has been very slow.

Fisheries and Oceans Canada has spent about \$31 million to implement a system to provide ready access to data and integrate information across all its regions. However, we found that the department's rollout of this new system is incomplete and that a full launch has been delayed by 10 years.

Without dependable and timely data on fish being caught, Fisheries and Oceans Canada does not know whether commercial stocks are being overfished. The collapse of the Atlantic cod population in the 1990s, with its far-reaching economic and social impacts, has shown that it is far more expensive and difficult to recover depleted stocks than it is to keep them healthy in the first place.

[Translation]

On Tuesday, we also released the annual report on environmental petitions. Petitions are a way for Canadians to raise their concerns relating to the environment and sustainable development and receive a response from responsible ministers.

In closing, I want to emphasize again that the window to avoid catastrophic climate change is closing fast. Intense forest fires, smoke-filled skies, heat waves, violent storms, and flooding are becoming more severe and frequent and affecting people all across Canada.

• (1110)

[English]

Canada is the only G7 country that has not achieved any emissions reductions since 1990. Taking meaningful action to reduce emissions is the most impactful thing Canada can do to play its part in addressing the global climate emergency.

Solutions exist, such as renewing the government's fleet with zero-emission vehicles or implementing effective fiscal and regulatory measures to reduce greenhouse gases. The problem is that available solutions are being implemented much too slowly. That needs to change now.

Mr. Chair, this concludes my opening statement. We would be pleased to answer any questions the committee may have.

Thank you.

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. DeMarco.

We'll start our first round of questioning with Mr. Deltell.

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Thank you so much, Mr. Chair, and congratulations on your appointment today.

[Translation]

Hello ladies and gentlemen. Welcome to the House of Commons.

Mr. DeMarco, it is always a pleasure to speak to you.

Mr. DeMarco, will Canada meet its 2030 targets, yes or no?

Mr. Jerry V. DeMarco: It's possible, but the government will have to take more measures than those that are currently set out in the plan.

Mr. Gérard Deltell: Let's talk about measures. In paragraph 6.26 of your report on the 2030 emissions reduction plan, you say that the plan does not include a target for 95% of the measures.

What is the point of making all sorts of announcements without any targets?

Mr. Jerry V. DeMarco: That issue is addressed in report 6, as well as in report 5, which was published last spring and deals with regulating greenhouse gases. We recommend that the government be more transparent with respect to the measures and the emissions reductions associated with each measure or group of measures, if there are interactions between them.

Mr. Gérard Deltell: If there are no targets, then it is difficult to see real results. Does that not explain why Canada is the only G7 country that has not met its targets?

Mr. Jerry V. DeMarco: That is one of the reasons. Two years ago, we published a report in which we set out eight lessons learned from the failures of the past 30 years. What you mentioned is one of the reasons, but there are others.

Mr. Gérard Deltell: This has been ongoing, year after year, for eight years. No targets have been met.

Mr. Jerry V. DeMarco: As you know, since 1992, or since Canada and the world took on this major challenge, Canada is the only G7 country that has not succeeded in reducing its overall greenhouse gas emissions. This has been a problem for a long time in Canada.

Mr. Gérard Deltell: The problem has also been ongoing for the past eight years.

In order to be transparent, we must have clear targets and know where we are headed. The government is requiring its departments to convert 80% of their fleet to electric vehicles by 2030. The report that you just submitted in that regard is scathing. In the best case scenario, only 3% the federal fleet will be zero emissions, and in the worst case scenario, only 1% will be.

How can the government convince Canadians when it cannot even convince its own departments?

Mr. Jerry V. DeMarco: It is a matter of leadership.

It is very important for Canada to lead by example because all Canadians are part of the solution. If the federal government does not lead the way, then Canadians will question whether the govern-

ment is doing its part to meet the target. It is therefore very important for the government to show leadership.

It is important not just to reduce emissions but also to show Canadians that the federal government is effectively reducing emissions in its own operations, including emissions from its vehicle fleet.

Mr. Gérard Deltell: There has been a lack of leadership.

Some departments are saying that the reason for this situation is that the supply of electric vehicles was insufficient, that electric vehicles do not meet all of their needs or that they did not have access to charging stations. In short, these are exactly the same problems faced by ordinary Canadians who want an electric vehicle.

I will ask you again: Why does the government want to impose electric vehicle targets for 2035 when its own departments are not even capable of meeting those targets? The government set a specific target of 80% for 2030, but it has not even reached 3% yet.

• (1115)

Mr. Jerry V. DeMarco: There are indeed some real obstacles.

Take, for example, the lack of charging infrastructure for departmental vehicles in rural areas. The federal government, with the help of the province and the private sector, can overcome that obstacle and facilitate the use of zero-emission vehicles in rural areas.

There is a whole interconnected system of measures that need to be managed in order for us to successfully transition to electric vehicles.

Mr. Gérard Deltell: Let's look at a real-life example that people here are familiar with. There are four charging stations behind the Confederation Building that have been there for a long time and that work well. However, there 12 new ones that don't work. What is the point of making big announcements and having ambitious targets if we are not getting real results and the infrastructure is not reliable enough?

Mr. Jerry V. DeMarco: We made a recommendation about that very thing. The infrastructure must be reliable to convince Canadians to transition to zero-emission vehicles.

Mr. Gérard Deltell: How much time do I have left?

[English]

The Vice-Chair (Mr. Dan Mazier): You have 30 seconds.

[Translation]

Mr. Gérard Deltell: In your opening remarks you mentioned that Fisheries and Oceans Canada created a fishery monitoring policy in response to a recommendation in your 2017 report, but that the department has not implemented that policy and is not supporting it with resources or an action plan.

Why has the department done nothing for seven years?

Mr. Jerry V. DeMarco: The Office of the Auditor General of Canada published a report on the same subject seven years ago. I was disappointed to see that we had to make many of the same recommendations that were made at the time.

We need a lot more than just a positive response to the recommendations in our reports. We want to see progress.

[English]

The Vice-Chair (Mr. Dan Mazier): I'm sorry to interrupt.

Are you good? Okay.

Go ahead, Mr. Adam van Koeverden.

Mr. Adam van Koeverden (Milton, Lib.): Thank you, Mr. Chair. Welcome to the chair position for the day.

The Vice-Chair (Mr. Dan Mazier): Thank you.

Mr. Adam van Koeverden: Thank you very much, Mr. DeMarco, for appearing again at committee. Welcome back.

Thank you to all the witnesses and experts. Our panel is well attended today, and we appreciate the opportunity to ask some good questions.

Mr. DeMarco, you focused a lot on ambition in your report. I appreciate that. I'm a strong believer in our needing to be more ambitious with respect to achieving our climate targets and our decarbonization. I'm also a strong believer in carbon pricing and the impact it can have as a market-based instrument in reducing our emissions. It is a topic of conversation in the House of Commons and the media quite frequently. It seems as though the conversation we're having in the House of Commons isn't so much about how we fight climate change as it is about whether we fight climate change.

I agree with much of your report, and I appreciate it. In broad strokes, I feel as though I can take this away from it: All the necessary architecture is in place to continue our action on fighting climate change and increasing our emissions reduction plan—to lower our emissions even more—but we need to move faster. We need to set larger, higher and more ambitious targets.

Would you agree with this characterization, and could you also point to the importance and value of a market-based instrument like carbon pricing and its contribution to those emissions reduction targets?

Mr. Jerry V. DeMarco: There was a lot in there. I'm not sure I feel comfortable agreeing with everything you said, but I'll start towards the end and pick up there.

As noted in our report, this plan has some critical elements in terms of carbon pricing and regulations under the Canadian Environmental Protection Act. These have the potential to achieve deep emissions reductions. There are 80 measures in the plan, but several of them are the big-ticket items, if you could call them that.

It's very important that Canada has a plan that adds up. In this case, it doesn't quite add up on paper just yet. However, if Environment and Climate Change Canada and its partner departments add to the portfolio measures, and if they're strong enough and effective enough, there is still time to reach the target.

I'm not sure whether I've addressed everything in your comment and question, but I'll stop there. You can let me know if there's something else I need to cover.

● (1120)

Mr. Adam van Koeverden: Thank you, Mr. DeMarco. I appreciate that answer.

My next question is for Mr. Ngan or Mr. Hermanutz.

With respect to carbon pricing, it's difficult to quantify how many of the reductions we've seen since 2005.... I appreciate that we have been able to measure our emissions reductions since 1990 or 2005. I've seen all the graphs in the G7. It's challenging to identify exactly when we ought to start measuring. However, we have seen a 6% reduction in emissions, as a country, since 2005. Since 2019, those have gone down quite dramatically. That's also—not coincidentally, in my view—around the same time we started pricing carbon emissions and pollution in Canada with a federal carbon tax.

I know it's challenging to say how many of those emissions reductions are attributable to carbon pricing. Do you have an estimation or some insight for us with respect to, perhaps, a range that might be attributable?

Anybody who might have insight could answer.

Mr. Derek Hermanutz (Director General, Economic Analysis Directorate, Department of the Environment): You're right. It is very difficult, in a package of 80 different measures, to attribute specific megatonnes to individual measures, although we know that carbon pricing is a significant contributor to the expected reductions. I think the commissioner's report agrees with that statement.

I think we're probably in a world where we could say, with some rough analysis, that up to one-third, potentially, of the emissions reductions that we're projecting to 2030 would come from carbon pricing.

Mr. Adam van Koeverden: Is that one-third of the 6% reduction or so that we've seen since 2019?

Mr. Derek Hermanutz: This is from 2005 to 2030.

Mr. Adam van Koeverden: Thank you very much.

I've garnered a lot of insight from the Province of British Columbia, which basically started pricing carbon first. They've been a model for the world, in fact, of how to reduce emissions through effective market-based instrument systems.

Is there any insight that we can garner from the Province of British Columbia's being out front in that regard?

Mr. Vincent Ngan (Assistant Deputy Minister, Climate Change Branch, Department of the Environment): First of all, Derek and I are not the lead officials for the carbon pricing system. That being said, when the pricing system was developed, a lot of lessons learned were undertaken. Also, as we know, carbon pricing is a worldwide-recognized instrument to effectively drive greenhouse gas emission reduction.

Also, the pricing system provides incentives through a cost-neutral system of returning proceeds back to households and small and medium enterprises. Therefore, this is a very effective system. That we know.

That being said, I regret that I do not work on this file as intimately as other colleagues; therefore, this is the extent to which I can comment on the instrument.

Mr. Adam van Koeverden: Thank you, Mr. Ngan.

My last question is for Mr. DeMarco.

If we were to stop pricing carbon altogether in Canada in every province and territory, if we eliminated the price on pollution, would that bring us closer to achieving our targets of 40% to 45% emission reductions by 2030, or would it bring us further away from achieving those targets?

Mr. Jerry V. DeMarco: Do you mean if we eliminated carbon pricing and didn't replace it with something else just as significant?

Mr. Adam van Koeverden: There could be another market-based instrument perhaps, but, yes, eliminate carbon tax—

Mr. Jerry V. DeMarco: If you eliminate it without compensating, then you're talking about what Environment and Climate Change Canada believes is responsible for one-third of the reduction—

The Vice-Chair (Mr. Dan Mazier): If you want to provide the reply in writing, that's fine.

Mr. Adam van Koeverden: He was mid-sentence, Mr. Chair.

The Vice-Chair (Mr. Dan Mazier): Okay, but it's 30 seconds over.

Mr. Jerry V. DeMarco: If you eliminate it and don't replace it with something just as effective, there's an obvious gap that Environment Canada estimates to be one-third.

The Vice-Chair (Mr. Dan Mazier): Thank you.

We have Madame Pauzé for six minutes, please.

[*Translation*]

Ms. Monique Pauzé (Repentigny, BQ): Thank you, Mr. Chair.

I want to thank everyone for being here.

Thank you, Mr. DeMarco. I was very pleased to hear you say that you will continue to sound the alarm until Canada reverses this trend. I think that is very professional of you, and I wanted to point that out.

My questions are for the assistant deputy minister, Mr. Ngan.

Report 6 of the Commissioner of the Environment and Sustainable Development shows what we already know. The Liberal government is failing to meet its climate change commitments and Canada is going to once again fail to meet its emissions reduction target.

In order to determine whether it will meet its emissions reduction target, the government has to calculate the projected emissions for a certain number of years. However, the environment commissioner's report shows that the government did not do those calculations properly. The report states, and I quote: "Modelling is an important

tool for assessing the potential effectiveness of a plan's mitigation measures and informing about whether adjustments are needed." The report then basically goes on to say that high-quality, reliable modelling is needed because there has been no sustained downward trend in Canada's emissions since 2005. We have had many successive governments since then.

If the calculations were not done properly, then it is not surprising that Canada is not meeting its targets. We have had 10 plans in a row now that have failed.

Why are the calculations not being done properly? We learned from the environment commissioner that it is because the government's assumptions are too optimistic. In other words, the government is looking through rose-coloured glasses. In my opinion, the government thinks that everything is going well because it is the one in power and because Liberal magic is somehow at play.

The commissioner's report also indicates, and I quote, "The models assumed that there would be no delays in the design and implementation of mitigation measures." The government did not plan for its own delays, so that was overestimated, even though regulations to cap emissions, a Liberal promise, are two years behind schedule. Clean electricity regulations, another Liberal promise, are also behind schedule. According to the commissioner, these delays are the reason why Canada will not meet its emissions reduction target. It is as though the government did not consider its own ability to fail.

Mr. Ngan, how do you explain the fact that the government can make promises and come up with assumptions that are too optimistic, but it cannot implement real measures to fight climate change?

• (1125)

[*English*]

Mr. Vincent Ngan: It's a very comprehensive question, so I will answer it in two parts.

The first part is to talk about how the emissions reduction plan has achieved emissions reductions since its inception. The second part is to touch upon the modelling approach, and I will turn to my colleague, Mr. Hermanutz.

First of all, I would fully agree with the findings and the recommendations of the commissioner. There is still work to be done in order for us to meet the ambitious 2030 goal of at least 40% emissions reductions compared to the 2005 levels. That being said, I think it's also fair to demonstrate that Canada has achieved meaningful emissions reductions. We're already substantially bending the curve on emissions in Canada, and that is reversing a trajectory of emissions that would have gone unconstrained without any limitation in the future to one that is now significantly going downward.

[*Translation*]

Ms. Monique Pauzé: Mr. Ngan, that answers the question that Mr. van Koeverden asked earlier, but I am talking about the fact that the modelling was not done properly and the assumptions were too optimistic. I would like to hear more about that. You said that you were going to let Mr. Hermanutz speak to that, so I am ready to hear what he has to say.

[English]

Mr. Derek Hermanutz: We don't agree that the projections are overly optimistic. We follow several processes to ensure that they're realistic. We follow UNFCCC guidelines in how we prepare the projections. We've submitted five biannual reports to the UNFCCC in the last five years, all of which are subject to external review from accredited UNFCCC experts. We rely heavily on third party information. Our projections are based on historical data that's published in the national inventory report, and data from Statistics Canada. Our energy forecast comes from the Canada Energy Regulator.

• (1130)

[Translation]

Ms. Monique Pauzé: Perhaps this comes back to an answer that the commissioner gave earlier.

In the field of education, we refer to what I am hearing about as the intersectionality of issues. We are talking about issues that affect many or all of the departments, but no one is communicating. I hope that we will not have to create another organization to get everyone to sit down together at the table to talk.

I read the entire 2030 emissions reduction plan, and it focuses on measures that do not exist. There is no modelling. The plan makes promises and commitments as though these measures were real. It talks about how emissions will be reduced through measures that do not exist. I am thinking, in particular, of electric buses.

Do you think that this is just wishful thinking on the government's part? If not, how do you explain the commissioner's criticism?

[English]

Mr. Derek Hermanutz: I would say that within the modelling we follow UNFCCC guidelines, which build a reference case of policies that are legislated, funded or implemented, as well as announced measures, which include measures that have been announced by the federal, provincial and territorial governments.

The Vice-Chair (Mr. Dan Mazier): Thank you, Madame Pauzé.

Now we go to Mr. Bachrach for six minutes.

Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP): Thank you very much, Mr. Chair.

I want to start by thanking Mr. DeMarco for his work and his determination to ensure that through this accountability process the government gets back on track. I think that's a desire shared by many of us at this table. This isn't meant as an opportunity to bash the government. We very much need the government to do right by its promise that it's going to meet the commitments that it made on the most important issue of our time.

I want to thank you, Mr. DeMarco, for your part in that.

I'm a bit concerned to hear what seems like a disagreement between Mr. Hermanutz and yourself around whether the projections are optimistic or not. The accountability measure that we have involves the work of the environment commissioner. The environment commissioner is saying that the projections are overly optimistic and that we're not going to meet the target. I would hope that

Environment and Climate Change Canada would take that information very seriously and abide by the recommendations and the strong direction that's been provided by the commissioner.

I'm trying to think of where to start. There are so many questions.

One of them is that when we worked on the Canadian Net-Zero Emissions Accountability Act, one of the things we fought very hard for was the 2026 emissions objective. We felt that 2030 was too far out and that the government was going to drag its feet and then at the last minute throw up its hands and say, we just can't possibly do it. Or perhaps by then we would have a different government that doesn't care about it anyway.

It was important to have a near-term target or objective.

I wonder, Mr. DeMarco, if you consider that objective and if you would have any insights to share on whether we are on track to meet that objective in just a few short years.

Mr. Jerry V. DeMarco: The 20% target in 2026 is called an objective in the legislation and it is an important addition because typically targets are so many years out that by the time we get close to the target year, there's already a new target and a new plan replacing it, and the narrative is more about the latest one without closing the loop on how we did on the last one.

When you see the litany of failures over the years, it's important that we do something different rather than repeating the same thing we've done in the past and expecting different results. I'm pleased that there is an objective for 2026. The current emissions graph doesn't show that it's going to trend in the right direction to meet 2026, but we don't have enough transparency to be able to say for sure one way or the other.

If they added a number of measures quickly, it's conceivable that they could reach it. With the current measures in the plan, they already admit that they don't have enough to meet their targets. It remains to be seen, but the imposition of additional measures would increase their chances of meeting that interim objective in 2026.

Mr. Taylor Bachrach: Thank you, Mr. DeMarco.

When we look across the Canadian economy at all the sectors that contribute to our emissions profile, the progress on driving down those emissions has not been symmetrical across all these different sectors, whether it's building, electricity or transport, or the oil and gas sector.

If you were to highlight a sector in which the least progress has been made on reducing emissions, which sector would that be?

• (1135)

Mr. Jerry V. DeMarco: There are sectors that have made no progress. It's negative progress for some. I presume you would rather hear about the ones that are the worst overall in terms of not achieving any reductions.

Oil and gas is up between 80% and 90% in terms of emissions from 1990 to now. That would be—

Mr. Taylor Bachrach: I'm sorry. Since when is oil and gas up 80% to 90%?

Mr. Jerry V. DeMarco: It's since 1990. That's the baseline year for the United Nations Framework Convention on Climate Change and the baseline year for the IPCC.

Oil and gas is up approximately 88%. Electricity's down 45%, but because oil and gas is such a large sector—in fact, it is the largest sector in terms of emissions—it drowns out the progress in other sectors.

Mr. Taylor Bachrach: There are two key policies that have yet to be implemented for the oil and gas sector. The emissions cap is the most significant of those.

When it comes to the emissions cap for the oil and gas sector, are you concerned about stringency? Could you elaborate on those concerns?

Mr. Jerry V. DeMarco: Yes. That's why we note in the report that if measures are widely applied and stringent enough, they have the potential to achieve the target. We just know there's a notion of a cap, but we don't know the details of it, so it's impossible to predict whether that will bridge the gap between the current estimation of 34% to 40% or not.

However, it targets the sector that is the greatest contributor to greenhouse gas emissions in Canada and the sector in which emissions have risen the most since 1990.

Mr. Taylor Bachrach: When we ask you to come back and talk to us about the emissions cap and whether it's being effective, what are some key attributes that you would be looking at when it comes to stringency and effectiveness?

The converse of that is: What are the potential loopholes that would undermine the effectiveness of this policy?

Mr. Jerry V. DeMarco: One of the lessons learned from Canada's history is that it can achieve efficiency progress.

Per GDP and per capita, emissions have been down in Canada over the last 30 years, but it's the total that is the target for Canada. The total net emissions for the world are what affect, ultimately, global average temperatures, so the key thing would be for any measure to address the total and not just the efficiency with which we pollute.

Mr. Taylor Bachrach: Thank you.

Do I have more time, Mr. Chair?

The Vice-Chair (Mr. Dan Mazier): You have 10 seconds...oh no. You're over. I'm sorry. It's the other way.

Mr. Taylor Bachrach: I exceeded my target.

The Vice-Chair (Mr. Dan Mazier): There you go.

We'll start the second round with Mr. Kram for five minutes, please.

Mr. Michael Kram (Regina—Wascana, CPC): Thank you very much, Mr. Chair, and thank you to all the witnesses for being here today.

Mr. DeMarco, I would like to do a very quick summary of report 7, on zero-emission vehicles, if I may.

The government's goal was for 80% of federal government vehicles to be zero-emission by the end of the decade. We are currently sitting at 3%, and you estimate that we should come in at around 13% at the end of the decade. That's well below the 80% goal.

Is that an accurate summary?

Mr. Jerry V. DeMarco: Yes. If the current trend of acquisition were to continue at the same pace, they'd hit only 13% rather than 80%.

Hopefully, that current trend is not just a *fait accompli*, and they can change it, but it will require a strategic approach for them to do that.

Mr. Michael Kram: Let's start with this question. Where does the federal government get its vehicles from? Does it purchase them from regular car dealerships across the country, the same way as regular Canadians?

Mr. Jerry V. DeMarco: I'll turn that over to the department to talk about the internal operations. We were focused on the results of the program, as opposed to the operational requirements.

Mr. Vincent Ngan: My colleague, Nick Xenos, executive director of the Treasury Board Secretariat, who is responsible for greening government operations, will join us.

Mr. Nick Xenos (Executive Director, Centre for Greening Government, Treasury Board Secretariat): We buy off a standing offer of PSPC, so it's Public Services and Procurement Canada that buys them from the manufacturers.

Mr. Michael Kram: Very good.

I looked at the Statistics Canada website, and the uptake of zero-emissions vehicles for the general population is at about 1%. That was at the end of 2021, so it's in the same ballpark as the federal government.

I would like to read a quick quote from page 11 of the report. It says:

Not all of the operational requirements of the 4 selected federal organizations could be met by the zero-emission vehicles on the market during the audit period. These included trucks needed to pull loads for long periods of time...and vehicles that can work in harsh weather conditions.

If the uptake of electric vehicles among the general population is about the same as the federal government, would it be reasonable to conclude that individual Canadians and Canadian companies trying to transition to electric vehicles are encountering the same challenges, and that's why they're experiencing similar results?

● (1140)

Mr. Jerry V. DeMarco: This relates to an earlier question about leading by example.

We would expect, given that Canada is requiring all Canadians to have only zero-emission vehicles available for purchase by 2035, that it is very important for the federal government to step up and lead by example in greening its fleet.

If Canadians don't see the federal government walking the talk, then they will be less inclined to do their part, especially when it comes to something like this, where it's not just a hoped-for behavioural change, but an actual requirement for sales to be 100% electric by 2035 for light-duty vehicles.

Mr. Michael Kram: Another reason Canadians may want to transition to electric vehicles is to avoid paying the carbon tax. When the carbon tax was introduced in 2019, it was at 4¢ a litre. Now it's up to 14¢ a litre and projected to increase to 37¢ a litre by the end of the decade.

I would like to read a quote from yesterday in question period. The Prime Minister described the carbon tax as “one of the most successful measures Canada has ever seen in the fight against climate change.”

Mr. DeMarco, in your audits, have you come across any evidence to support that statement?

Mr. Jerry V. DeMarco: The theory of the carbon levy, which is using a charge to partially internalize what was previously an economic externality in terms of economic theory, is well recognized as being a sound approach.

We did our carbon pricing audit very early on, to look at mostly design issues, coverage, equitability and all those things that are still being discussed today. We haven't done another follow-up that looks at exactly how much bang for their buck they're getting out of the carbon price, but the theory of carbon pricing in economics is a sound one, so long as it's widely applicable and the price is high enough to induce the behavioural change that is sought.

The Vice-Chair (Mr. Dan Mazier): That's the end of the five minutes.

Mr. Longfield is online.

Mr. Lloyd Longfield (Guelph, Lib.): Thank you, Mr. Chair, and thank you to Mr. DeMarco and officials for being here.

I don't want to spend a lot of time on it, because I have a limited amount, but on zero-emission vehicles, we did a study in this committee that showed that the provincial programs and federal programs combined get results. It showed that we're now at 7% nationally, but 21% in B.C. and 18% in Quebec, where there are also provincial programs to incent people to go to zero-emission vehicles.

The progress is actually ramping up, but of course implied in the question is that the supply chain may not be keeping up with demand on the market, although we are seeing increases.

I'd like to go back to the accountability act itself. We didn't have a Canadian Net-Zero Emissions Accountability Act, and some people on the committee—Mr. Bachrach and Madame Pausé—were very instrumental in where we've landed. Of course, the Liberals...I was at the table as well. I'm very glad to see the audit is actually in front of us. I wasn't expecting to see it for a few years.

Mr. DeMarco, could you comment on the process? We're trying to get to net zero by 2050 and we have some goals for 2030. The reason we're doing this audit is really to get to net zero by 2050.

Could you comment on how this act is actually helping us in that regard?

• (1145)

Mr. Jerry V. DeMarco: Turning back to my appearance here a couple of years ago with respect to our lessons learned from Canada's record on climate change, we expressed some optimism about the recent climate legislation. That's twofold: the carbon pricing legislation and the net-zero act. It is much better than nothing. If climate initiatives are just set out in non-binding policies that can come and go, that's a much worse scenario than having some elements set in legislation. There are no consequences in this legislation for not meeting a target, so there's been criticism about that.

However, it is certainly better to have interim objectives and targets that are soon enough to drive change, as opposed to being too far off to worry people, and for there to be accountability mechanisms, like our role. The minimum in the act was for us to report by the end of 2024 and again in 2029, but given Canada's track record, I indicated that I'd like to start early, given that there appeared to be problems with the first plan under the act. We have decided to move early, and we're going to keep reporting until, as I mentioned earlier, the tide starts to turn.

Mr. Lloyd Longfield: Thank you.

We were looking at five-year intervals. I think we started with 2025, 2030, 2035 and 2040. Are we still on a five-year interval, or do you think we might see something less than five years?

Mr. Jerry V. DeMarco: The plans are on a five-year interval, and there will be a new target for 2035 fairly soon. Hopefully, we don't forget about meeting the 2030 target because the 2035 target has come in its place. We have to meet all of them, including the objective in 2026, the target in 2030 and the next target in 2035.

With respect to our office, we're going to report more frequently than the legislation requires. We're going to lead by example by getting this report out 13 months early and putting out the next report well before 2029. Essentially, Canada's track record doesn't inspire confidence, so we are going to keep on discharging our accountability role more frequently until we see results coming in that are more positive.

Mr. Lloyd Longfield: Thank you.

I think that between 1990 and just a few years ago, we had no act in place, and we had no accountability. We made promises, but we didn't follow up in terms of the federal government—particularly the Conservative federal government, of course, but I think any government needs accountability.

Mr. Ngan, could you comment on how this is helping the department in terms of its own accountability?

Mr. Vincent Ngan: The Canadian Net-Zero Emissions Accountability Act received royal assent in June 2021. It sets an accountability cycle that we need to continuously set for progressive greenhouse gas emissions targets. The next one will be 2035. There's one for 2040 and one for 2045. The target needs to be established 10 years in advance, supported by a climate plan that will provide measures to draw a critical pathway to meet those targets. In addition, there will be—

The Vice-Chair (Mr. Dan Mazier): “In addition” won't be able to make it. That's over.

Mr. Lloyd Longfield: If you could submit it in writing, that would be great. Thank you.

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Longfield.

Now we have Madame Pauzé for two and a half minutes.

[*Translation*]

Ms. Monique Pauzé: Thank you very much, Mr. Chair.

Earlier I spoke about how the Liberal government is looking through rose-coloured glasses. Then, I talked about the fact that it was focusing on measures that do not yet exist. Now, I would like to talk about the fact that it is focusing on technologies that do not exist.

Report 6 states the following, and I quote: “The models assumed that some of the technologies required to reduce emissions would soon be available. For example, the modelling results suggested that carbon capture and storage facilities would be built and would avoid 27 [megatonnes of carbon dioxide equivalent] of emissions annually by 2030.” I would like everyone to remember that.

Experts told the government that carbon capture and storage technologies were inadequate and that it should not rely on them. Such technologies are expensive and ineffective. Perhaps they will be more effective in 10 or 15 years, but that is not the case right now. These experts came and spoke to us in committee. Their findings were picked up by newspapers. Dozens of scientists wrote to the minister responsible and the Prime Minister's office. The Bloc Québécois has been reminding the government of this for two years, and yet the government still decided to give billions of dollars to oil companies to develop this technology, rather than investing in renewable energy. By 2035, the government will have given oil companies \$83 billion, but we are supposed to meet our climate target by 2030. Obviously, things are not going well at all.

Mr. Ngan or Ms. O'Brien, could you tell us how the government was able to count these reductions in the 2030 emissions reduction plan despite all the warnings from scientists? These technologies are still in the early stages of development and, right now, they are expensive and ineffective. Even if they did exist, such facilities could never be put into service in such a way as to meet the 2030 projections.

How could the government do that?

• (1150)

[*English*]

Ms. Erin O'Brien (Assistant Deputy Minister, Fuels Sector, Department of Natural Resources): With respect to technologies

and questions regarding emissions reductions in the oil and gas sector, it's true that the sector is the largest emitting sector in Canada. Absolute emissions have increased, although I would also indicate that emissions intensity for the sector has been decreasing over a number of years. That is also largely due to the adoption of technologies—

The Vice-Chair (Mr. Dan Mazier): I'm sorry to the witness. We have to keep strictly to the times or we run over. If you want to table any information on that, you may.

Would that be acceptable, Madame Pauzé?

[*Translation*]

Ms. Monique Pauzé: I was just going to ask if the information could be sent to the committee, Mr. Chair.

Thank you.

[*English*]

The Vice-Chair (Mr. Dan Mazier): Thanks, Ms. O'Brien.

Mr. Bachrach, go ahead for two and a half minutes.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

One of the pieces of the report from the environment commissioner that I keyed in on was this statement around fragmented action by agencies not directly accountable to the Minister of Environment. I think this really underscores a systemic problem that needs to be addressed if we are to get back on track.

One thing that happened in British Columbia around 2008 under the Gordon Campbell government was that when he committed the province to broad climate action, he created a climate action secretariat in the premier's office that was in charge of overseeing and directing climate actions throughout all of the provincial ministries.

I wonder, Mr. DeMarco, if you could provide some comments on whether that kind of governance or administrative change could help achieve the kind of acceleration you're talking about in your report that we need in order to get on track to meet the 2030 target.

Mr. Jerry V. DeMarco: I'd be pleased to.

We talk about that in this report, and it's also one of the lessons learned in our 2021 report in terms of the need for better coordination and leadership. It is not for us to prescribe a specific avenue to address this, but we can point out that, after 30 years of using a fragmented approach and not achieving the results we have been hoping for, it is up to the Government of Canada to look at some sort of model that centralizes accountabilities, better coordinates accountabilities and increases powers for one department that has responsibility. There are a number of different approaches, but a decentralized, fragmented approach has shown to be ineffective so far in 30 years, so we have to try something new, because we can't just expect different results from the same old approach.

Mr. Taylor Bachrach: To be clear, that fragmented approach that you just described is the current approach. That's the state of affairs when it comes to climate action in the federal government.

Mr. Jerry V. DeMarco: It is, largely. Perhaps Treasury Board can assist in answering this question. There is now more coordination than previously, but it is very limited.

Mr. Taylor Bachrach: Thank you.

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Bachrach.

We go now to Mr. Leslie for five minutes.

Mr. Branden Leslie (Portage—Lisgar, CPC): Thank you, Mr. Chair, Commissioner and officials.

I'd like to go back to this question of one-third of emissions reductions by 2030 being accounted for by the carbon tax.

Mr. Hermanutz, when you said that, you didn't sound terribly confident.

I'm curious, Commissioner, as to whether you have seen the department's economic modelling. You deferred to them on the question of the expected valuation in reductions from the carbon tax. Has the department shared all the modelling documentation with you?

• (1155)

Mr. Jerry V. DeMarco: We've had some documentation shared with us, but we wouldn't have a recommendation seeking more transparency if we felt that we were receiving enough. This plan definitely is better than previous plans, in that it has more disclosure of assumptions, more details in it and sector-by-sector objectives, so that's better than before.

However, it's not good enough in terms of the level of transparency that our office expects and that I believe Canadians expect, given that they haven't been achieving results to date. If they were constantly meeting targets and it was just a track record of success after success, there might not be as much of a need for that information, but, given that the track record is so poor, shining a light on the information behind these projections can only help them be better scrutinized and improved and, of course, corrected before it's too late. Therefore, we are recommending greater transparency in the modelling and the assumptions.

Mr. Branden Leslie: I appreciate that you say you found a lack of reliability and transparency in economic and emissions modelling.

Therefore, I'm wondering—and this is for the department—why there is an inability or a lack of desire to share that with the commissioner. Would you be willing to table all of the economic and emissions modelling that's been undertaken for the carbon tax scheme thus far to the committee for us to review, and then perhaps share that with the commissioner for his next report?

Mr. Derek Hermanutz: In my response, I was just citing the uncertainty and the difficulty around disentangling the impacts of the carbon price from the other measures. That's all. We do have an estimate, but it's highly uncertain how all the different measures interact with each other.

Mr. Branden Leslie: Understanding that it's difficult to measure these intangibles, it seems concerning to me that a marquee policy for the government really has no confident guess even as to what the emissions reductions are going to be in terms of our overall objectives. Is this not concerning, that we don't have a clear idea of what we're going to accomplish based on what is a sound theoretical practice, with the way we've seen it applied, particularly in rural areas across this country, and the discontent it has led to for many Canadians who are struggling with housing, heating and grocery poverty at this point? Is it not concerning to the commissioner that we don't have that transparency and that level of accountability?

Mr. Jerry V. DeMarco: It is a concern. That's why recommendation 84 is there, about making substantive information publicly available, not just to our office but to the public. There was a question earlier from Mr. Bachrach, I believe, about sectors accounting for the most increases in emissions since 1990, and oil and gas is one of those. This plan says that oil and gas emissions are going to go down by 31%, even though they've been rising from 1990 until now, by 80% to 90%. That's a critical piece of information in the plan, that they're expecting a significant drop and that the trend line is going to reverse course.

We would like to know exactly how they got there, and I'm sure members of the committee would like to know how they got to that 31%. If they don't address the biggest sector in terms of emissions in a way in which they can show their work in terms of getting there, then Canadians will not have confidence in the plan. That's why I think an increase in transparency will not only help to bring more rigour to the process; it will also help the department in convincing Canadians that it is adding value and that they're getting value for money. These measures do cost people money; they cost industry money, and they cost government money. Let's see. Show your work in terms of the—

Mr. Branden Leslie: I agree. Thank you, Commissioner.

I will cede the remaining time to my colleague, Gérard Deltell.

[Translation]

Mr. Gérard Deltell: Thank you very much, Mr. Chair.

Pursuant to the Standing Orders, I move the following motion:

That, given that the Prime Minister's temporary and limited exemption to the carbon tax on home heating oil that does not apply to 97% of Canadians, and that this announcement exposes major inconsistencies in the federal carbon tax policy, and that the Liberal government voted against a Conservative motion to extend the same exemption to all forms of home heating in Canada, and that Canada's Premiers have issued a joint statement, that says, "Premiers expressed concern that federal actions around the federal carbon tax have treated Canadians differently and expect the federal government to support all Canadians fairly,"; and given the divisive statement made by the Minister of Rural Economic Development where she stated, in response to a televised interview question on whether the Liberals were considering carbon tax relief for Canadians outside of Atlantic Canada; "...perhaps they need to elect more Liberals in the Prairies so that we can have that conversation as well",

The committee:

(a) Undertake a ten-meeting review of carbon tax policy in Canada given the Prime Minister's limited carbon tax exemption, calls from provinces and Canadians struggling with the affordability crisis to remove the federal carbon tax completely, and the committee hear from the Minister of the Environment and Climate Change for two hours, the Minister of Finance for two hours, the Minister of Energy and Natural Resources for two hours, the Minister of Innovation, Science and Industry for two hours, the Minister of Agriculture and Agri-Food for two hours and all other witnesses the committee deems relevant, that the committee extend existing meeting times by one-hour in order to prioritize this motion and that the committee report its findings to the House;

(b) Urge the Minister of Rural Economic Development to appear for two hours on Tuesday, November 21, 2023, to explain her comments.

The purpose of this motion is to get to the bottom of things. From the reports that were tabled recently, we see that, although the carbon tax policy is this government's main focus, the government is not meeting its objectives and is always missing its targets. Whatever might be said, we need to get to the bottom of things and understand why this tax approach is not helping us to meet the environmental objectives that the government has set.

If we want to undertake a serious and rigorous review of the carbon tax, we need to do it here in committee.

• (1200)

[English]

The Vice-Chair (Mr. Dan Mazier): Thank you.

I have Mr. Kram next on the speaking list, then Mr. Leslie, Mr. van Koeverden and Ms. Roy.

Mr. Michael Kram: Thank you very much, Mr. Chair.

I would like to thank my colleague Mr. Deltell for moving this very important motion.

The Government of Canada is supposed to look out for the interests of all Canadians, regardless of where they live. That's true when it comes to environmental issues. That's true when it comes to taxation issues. That's true for any other issue.

When a minister of the Crown says publicly on television that she will not listen to the people of a particular region because of the party for which they voted in the previous election, that is very concerning. It raises the question—

Mr. Adam van Koeverden: On a point of order, Mr. Chair, I believe that Mr. Kram is taking the minister's comments completely out of context. For the purpose of this motion, I question that relevance.

The Vice-Chair (Mr. Dan Mazier): He has the floor.

Go ahead.

Mr. Michael Kram: Thanks, Mr. Chair. That was not really a point of order.

The minister's comments certainly are concerning, and they raise the question: What other government policies are enacted solely based on how a particular region voted in the previous election?

I think that it is very reasonable to invite Minister Hutchings to the committee to explain her comments.

The Vice-Chair (Mr. Dan Mazier): Mr. Leslie, you have the floor.

Mr. Branden Leslie: Thank you, Mr. Chair.

I think it's a timely motion, given the testimony we were just hearing from the commissioner on the—

Ms. Leah Taylor Roy (Aurora—Oak Ridges—Richmond Hill, Lib.): On a point of order, Mr. Chair, I was watching the order of the hands go up, and—

The Vice-Chair (Mr. Dan Mazier): That's debate. We have the order. I announced it. I saw everybody—

Ms. Leah Taylor Roy: I'm not challenging that.

The Vice-Chair (Mr. Dan Mazier): You'll have your time.

Ms. Leah Taylor Roy: I'm challenging the order. I saw Mr. van Koeverden's hand go up at the same time as Mr. Kram's.

The Vice-Chair (Mr. Dan Mazier): We have it here. We have two lists, and both correspond.

Ms. Leah Taylor Roy: Perhaps you were looking to that side and not this side.

The Vice-Chair (Mr. Dan Mazier): I'm not going to call the clerk into question. We're both here. That's why there are two of us here. We're watching the whole table.

On you go, Mr. Leslie.

Mr. Branden Leslie: Thank you, Mr. Chair.

As I was saying, I think it's a very timely motion to bring forward. Just last week, we had the Governor of the Bank of Canada admit that the carbon tax is responsible for 16% of our total food inflation in this country. As my colleague—

Mr. Adam van Koeverden: On a point of order, Mr. Chair, it's 0.6%.

The Vice-Chair (Mr. Dan Mazier): That's not a point of order.

A voice: It doesn't matter.

The Vice-Chair (Mr. Dan Mazier): It matters a lot, actually. Points of order are supposed to be points of order, not debate, so it does matter a lot.

Go ahead, Mr. Leslie.

Mr. Branden Leslie: As I was saying, and as my colleague just mentioned, not often are the premiers in this country all aligned, but they are all aligned right now in their disdain for the federal government's picking and choosing people in certain parts of the country for political reasons, to give them a break on the carbon tax. When the minister has the gall to say that if the people in the Prairies want to get considered for a pause, perhaps they should have elected more Liberals, it is galling. She has been awfully quiet since then.

It is a perfect opportunity to bring her and several other ministers before this committee to discuss the entirety of the policy, particularly given the evidence provided by the environment commissioner with respect to the lack of reliability and transparency in the economic and emissions modelling.

It is time we held the decision-makers of this policy to account, and it is time to have those who have been dividing Canadians time and time again come before the committee. I hope all members will pass this motion today.

Thank you, Mr. Chair.

• (1205)

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Leslie.

Mr. van Koeverden, you have the floor.

Mr. Adam van Koeverden: Thank you, Mr. Chair.

I move to adjourn debate on this motion.

The Vice-Chair (Mr. Dan Mazier): We will vote right away.

(Motion agreed to)

The Vice-Chair (Mr. Dan Mazier): Continuing, Mr. Leslie, you have 15 seconds left. I'm guessing that you handed it over to Mr. Deltell.

Mr. Deltell, you have 15 seconds left, if you want them.

[*Translation*]

Mr. Gérard Deltell: I am going to take this opportunity to make a declaration of conflict of interest. I asked a lot of questions about electric cars, and I am very proud to say that I own a 100% electric car, which I bought second-hand. I am very happy about that.

[*English*]

Mr. Dan Mazier: Thank you.

Now we'll go to Ms. Chatel, please.

[*Translation*]

Mrs. Sophie Chatel (Pontiac, Lib.): Thank you, Mr. Chair.

I did not want to get into this debate, but I will. Canadians will have to make a pretty clear choice when the time comes: either we continue to fight climate change or we go back to the Stone Age, we withdraw from the Paris agreement and we find ourselves economically isolated.

I want to talk about the economic benefits and reduction of greenhouse gases from carbon pricing.

The Organisation for Economic Co-operation and Development, the OECD, talks a lot about these benefits. Major economies around the world, such as California, Canada, the United Kingdom and countries in the European Union, have chosen carbon exchanges or carbon pricing as their economic lever. They chose to move forward.

You said earlier that one third of the reduction in greenhouse gas emissions in Canada was due to carbon pricing. An OECD report on effective carbon rates notes that carbon pricing has led to a 73% reduction in electricity sector emissions in the UK. That is something my colleagues may be interested in. There are some data. On the other side of the House, members are not very knowledgeable in this area, because they simply want to abolish the most important tool for making the transition to a greener economy.

Mr. DeMarco, for the benefit of Canadians who may not be familiar with the mechanisms of carbon pricing, can you clearly and simply state how these economic levers are being used?

• (1210)

Mr. Jerry V. DeMarco: I can start answering this question, but it is not for me to argue for one policy or another. It is up to the department to do so.

As I said earlier, pricing theory based on the internalization of externalities is well understood by economists, experts, and even the Supreme Court of Canada. It is necessary that pricing be sufficiently high and applied across Canada to have an impact on Canadians.

Departmental officials may be able to provide more explanation.

Mrs. Sophie Chatel: I do not have much time, so I am going to ask you another very important question.

You compared Canada to other G7 countries. I like international comparisons. However, I wonder about the choice of establishing 1990 as the beginning of the comparison period, because climate action really began in 2015. In any event, over the past two years, Canada has seen the largest emissions reduction of any G7 country.

In your view, what factors are responsible for this very strong reduction in emissions in Canada compared to other G7 countries?

Mr. Jerry V. DeMarco: Clearly, since 1990 or 2005, Canada has lagged behind the other six G7 countries. A graph in our report 6 illustrates the situation. We can see that emissions can be reduced. The other countries are not identical to Canada, but they are democratic and developed countries like Canada, and they were more successful at reducing their emissions. So it is possible.

Why are these two reference years considered? I know that 2005 is a very important year for—

Mrs. Sophie Chatel: I am sorry to interrupt you, Mr. DeMarco, but I do not have much time. I was talking about the last two years.

[*English*]

The Vice-Chair (Mr. Dan Mazier): You have 10 seconds.

[*Translation*]

Mr. Jerry V. DeMarco: Excuse me. So you were talking about the last two years.

I feel more confident looking at the curve over a longer period of time. If we look only at the last two years, given the COVID-19 pandemic, it is very difficult to determine what has been the contribution of the measures and the economy. We do not have the same problem with the curve that extends over 10, 15 or 30 years.

Mrs. Sophie Chatel: In other words, we are making good progress, are we not?

[*English*]

The Vice-Chair (Mr. Dan Mazier): You're way over. You're 45 seconds over.

Thank you. If there is anything that can be tabled...

Ms. Chatel, do you want anything brought forward to the committee?

[*Translation*]

Mrs. Sophie Chatel: If possible, I would like someone to explain in writing the factors of progress over the past two years.

[*English*]

The Vice-Chair (Mr. Dan Mazier): Thank you.

[*Translation*]

Mr. Jerry V. DeMarco: I would simply like to say that I am not able to explain this to you, because there is not enough transparency in the department's data.

If anyone could explain this to you, it would be the department, not our office.

[*English*]

The Vice-Chair (Mr. Dan Mazier): Thank you for that clarification.

We're going to go on to our next round.

Mr. Deltell, you have five minutes.

Mr. Gérard Deltell: Thank you so much, Mr. Chair.

It is always a pleasure to talk to you again, Mr. DeMarco.

[*Translation*]

What stands out most from the report, of course, is that by 2030, again, Canada will not meet its targets.

You use strong enough words in describing this reality. I will cite a few. You talk about overly optimistic assumptions, limited uncertainty analysis, lack of scrutiny, missing information, inconsistent information, delays, unreliability. This is proof that, unfortunately, we cannot say that the government has distinguished itself by its rigour over the past eight years.

How can we explain that after eight years, we are unable to use truly reliable sources as a basis to conduct serious analysis, contrary to the government members' claim?

● (1215)

Mr. Jerry V. DeMarco: I cannot explain why the department chose not to publish more information on the effectiveness of these measures.

However, I can say that long before my appointment, our office issued a series of reports that called for more transparency and more information on the assumptions and on the results of the measures. That is why we made these recommendations.

Some answers point in the right direction. If the department's actions reflect the answers we are given, we will certainly see more transparency than we have seen so far. I hope it will.

Mr. Gérard Deltell: Two weeks ago, the Prime Minister made an announcement that upset all premiers and many environmental groups, as well as sowing discord among many others.

What was your reaction to this announcement?

Mr. Jerry V. DeMarco: The announcement came after the conclusion of our audit, so we did not receive any analysis about the announcement. We do not know what the impact would be on achieving the target. It is not clear whether it would decrease or not the chances of achieving it. We do not know if there has been an equity analysis with respect to Canada. We do not know whether an analysis was done to determine what message this announcement could send to the private sector and whether it could have an influence on people's confidence in carbon pricing.

I would like to see such analysis in preparation for the publication of our report next year. However, we have not seen any, as this announcement was made very recently, following the conclusion of our audit.

Mr. Gérard Deltell: That is why we moved a motion to get to the bottom of this. Unfortunately, we were the only ones who wanted to get to the bottom of this issue.

Commissioner, you said that Fisheries and Oceans Canada was unable to collect dependable and timely fish catch data. The department did not have a full picture of the health of Canada's fish stocks. You also noted that the department needed to improve its oversight of the information it receives from third parties.

As far as I know, people have been fishing in Canada since the country's inception, and even before; it has always been a reality. How is it that after eight years, this government is unable to obtain basic information for the Department of Fisheries and Oceans?

Mr. Jerry V. DeMarco: We are very disappointed to have had to resubmit virtually the same recommendations as in the last audit.

Indeed, Canada has managed fisheries since Confederation. The history of this management spans a period of many years and has had many consequences. The case of Atlantic cod is a well-known example, but other species are now extinct in Canada. It happened to more than 10 species or fish populations, as defined by COSEWIC, the Committee on the Status of Endangered Wildlife in Canada.

The Department of Fisheries and Oceans does need modernization. We cannot just keep doing what has been done before.

Mr. Gérard Deltell: Again, this is not a new situation. We are not talking about new technologies. We are talking about finding out the amount of fish that are caught and identifying the species. That goes without saying. That is the core mandate of the Department of Fisheries and Oceans. Why is it not carrying it out?

Mr. Jerry V. DeMarco: I cannot explain that either. That is what we pointed out in the conclusion of our report. The department needs to do that work, and we recommended that it improve its system. Why has it not done so far, especially since an audit was done on virtually the same issue seven years ago? That is a question for the Department of Fisheries and Oceans.

[English]

The Vice-Chair (Mr. Dan Mazier): Thank you, Commissioner.

We'll go to Mr. Weiler, who's online.

Mr. Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Thank you, Mr. Chair.

I want to thank Commissioner DeMarco for his work and particularly for tabling this early, given the urgency of acting on climate change.

Mr. Longfield mentioned earlier some of the numbers we're seeing in the take-up of electric vehicles across Canada, with almost 21% in B.C. and almost 18.5% in Québec.

While there are seven provinces in Canada that have corresponding incentives to get electric vehicles, British Columbia has a zero-emissions vehicle mandate, as does Québec. I think it's one of the reasons Mr. Deltell and I are able to get electric vehicles.

Commissioner DeMarco, I was hoping you could explain to our committee what type of impact a zero-emissions vehicle mandate across Canada would have in reducing emissions from our second-largest source, which is of course transportation.

• (1220)

Mr. Jerry V. DeMarco: As we indicate in our report 8, oil and gas and transportation together account for 50% of the anthropogenic emissions in Canada. That's 28% for oil and gas and 22% for transportation. Within that 22%, 51% is from light-duty vehicles.

That's a big chunk of emissions that can be addressed in one measure or suite of measures for zero-emission vehicles. It is a very important suite of measures to pursue in terms of bringing down emissions in the transportation sector, which is the second biggest.

You can see the effect of incentives in exhibit 8.4 of report 8. You can see that Québec has a fleet size of over 100,000 zero-emission vehicles already. Forty-five percent of the whole fleet in

Canada is in Québec, even though Québec's population is only 22%, so you can see that.

Then, similarly, with B.C., you see a very high number of zero-emission vehicles compared to its actual population.

You do see leadership in those provinces paying off with the actual switchover from traditional vehicles to zero-emission vehicles.

Mr. Patrick Weiler: Thank you.

Earlier this year an opinion was shared by the Supreme Court of Canada on the constitutionality of the Impact Assessment Act.

Commissioner DeMarco, do you believe that this ruling will hamper the government's approach to impact assessments? Do you think it has implications for building the infrastructure necessary for us to get to our emissions reduction goals?

Mr. Jerry V. DeMarco: In terms of the impact of the ruling on reaching the emissions reduction goals, I guess I'll pretend I'm in my previous role as an environmental adjudicator at the federal and provincial level, rather than in the audit office.

There's no question that carbon pricing, which is one of the signature pieces, is constitutional under national concern doctrine. There was a recent decision from the Supreme Court about that.

There's no question that pollution regulation is valid under the criminal law power in terms of regulations relating to contaminants under the Canadian Environmental Protection Act. That's from the Hydro-Québec case from, I think, 1997. Somebody can check that later to make sure that's right.

The signature pieces—carbon pricing and regulation under the Canadian Environmental Protection Act—are already upheld by the Supreme Court. The recent decision on the Impact Assessment Act would have no impact on those two pieces, which are the big-ticket items.

Will that ruling have an effect on impact assessment? Yes. That was what the decision was about.

The federal role in impact assessment will have to abide by the delineation of jurisdiction set out in the recent Supreme Court ruling that was issued.

Mr. Patrick Weiler: Thank you. You mentioned in your report that you found that the department was planning to update its methodology for calculating historical emissions data for the coming inventory report in 2024. I was hoping you could speak a bit more to this and to the types of changes that you see as necessary.

The Vice-Chair (Mr. Dan Mazier): Please answer very briefly, or if you want you can table something.

Mr. Jerry V. DeMarco: We have a recommendation about speeding up the availability of emissions information. If it's a priority, like economic issues are a priority, we can get faster information. We give examples of countries in Europe where they can turn around data on this.

There's always going to be some uncertainty. Canada is still going back and correcting data from previous years, because it's not like counting widgets. Emissions are a little harder to get a handle on. We do recommend, though, that they work on this in a more timely manner and especially improve their data on methane, land use change and forestry.

• (1225)

The Vice-Chair (Mr. Dan Mazier): Thank you for that.

Mr. Gérard Deltell: I have a point of order, Mr. Chair.

The Vice-Chair (Mr. Dan Mazier): Yes, sir.

[*Translation*]

Mr. Gérard Deltell: Mr. Chair, since Mr. Weiler used my example to make his point, I would like to clarify some of what I said earlier. I actually own a fully electric car and I am very happy about that. I do not know if the member heard me say that, but I bought it as a used car. In saying this, I wanted to show that I had not received any form of subsidy or tax benefit. Since he referred to this in his reasoning, I wanted to set the record straight.

[*English*]

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Deltell.

I have Mr. Garon for two and a half minutes.

[*Translation*]

Mr. Jean-Denis Garon (Mirabel, BQ): Thank you, Mr. Chair.

I will go to Mr. Ngan.

The commissioner is politely telling us that the 2030 Emissions Reduction Plan is based on science fiction. Carbon capture technologies are science fiction. Dozens of scientists who appeared before the committee told us that these technologies would not be ready for 2030 and would never allow us to eliminate more than 27 megatonnes of CO₂ equivalent annually by 2030.

What is worrisome about all this is that your plan is based on these technologies and, if the scientists are right, you will almost certainly not reach the 2030 target.

So who is telling the truth: the scientists who appeared before the committee or the science that took place behind the closed doors of your department?

[*English*]

Mr. Vincent Ngan: First of all, I think Mr. Hermanutz has indicated the fact that the emissions reduction plan has a robust mix of policy instruments. There are different technologies that will be spurred, accelerated and invested in in order to help us to reduce greenhouse gas emissions.

There are different sectors that the emissions reduction plan targets in order to help move the yardstick. In the building sector, we are trying to help increase affordability but at the same time make households accelerate the adoption of more energy-efficient equipment—

[*Translation*]

Mr. Jean-Denis Garon: I am going to interrupt you, because I have little time left.

You have most likely read the reports of the scientists who appeared before the committee and who told us that these technologies would not fulfill their promises for 2030.

Are these people right or wrong? It does not take very long to answer that.

[*English*]

Mr. Vincent Ngan: First of all, as we talked about the modelling, it takes into account uncertainty and interacting factors. Also, investment in one technology does not represent the whole of the climate plan.

That being said, I don't know if Mr. Hermanutz would like to add something.

Mr. Derek Hermanutz: I can speak to that from the modelling perspective. We look at the academic literature that's out there around energy and environment economy modelling. We consult with provinces and territories and other federal departments in coming up with the assumptions that we use in the modelling.

The Vice-Chair (Mr. Dan Mazier): Thank you.

We go on to Mr. Bachrach for two and a half minutes.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

Mr. DeMarco, you mentioned something when we were talking about the contribution of reductions in the oil and gas sector to the overall emissions reductions plan, and I think it had to do with the inability of the department to show its homework when it comes to that number, the 30% contribution.

Could you talk very briefly about what information was missing? It seems like there's a bottom-up approach you can take to these kinds of sectoral targets, and there's a top-down approach that's more aspirational. It basically says to make the rest of the math work, the oil and gas sector has to contribute at least 30%, so let's put that 30% number in there and hope and pray that we can come up with some things to backfill it so that we actually reach it.

Which of those approaches does it seem that the department took?

Mr. Jerry V. DeMarco: I'm going to rely on the principal, Kim Leach, to address that. It's a technical area involving bottom up and backcasting and so on.

Ms. Kimberley Leach (Principal, Office of the Auditor General): In the emissions reduction plan, the government talks about how it took a hybrid approach in modelling. It used backcasting, which is where the 31% number is from.

Mr. Taylor Bachrach: I'm not sure that I understand backcasting. Did they look at the reductions the industry has managed to achieve in the past and say that 30% is easily achievable? Is that what they said?

• (1230)

Ms. Kimberley Leach: Our mandate is to look at the measures in the plan. We looked at the modelling that was done for the measures. The backcasting is done to set a point in the future, in 2030, and then to look at pathways that might be possible to achieve that. Both are important aspects, but the 31%, the number that we talked about in our work here, is the number that the oil and gas sector is to contribute, the emissions reductions that that sector will contribute by 2030. That's a very important number, and we could not determine where that number came from. We determined no analysis.

Mr. Taylor Bachrach: That's what I wanted to get at. That's the homework that's missing.

Mr. Hermanutz, I'm wondering if that homework exists and whether you could table it with the committee so we can better understand that 31% contribution of the oil and gas industry to the overall emissions reduction?

The Vice-Chair (Mr. Dan Mazier): Can you table that information?

Mr. Vincent Ngan: Doing the audit process is a way to provide all the information that the commissioner and his office requested. That being said, a lot of the information pertains to cabinet deliberation; therefore, we have followed the Canada Evidence Act—

The Vice-Chair (Mr. Dan Mazier): I think it was a pretty simple question. Can you provide the information or not?

Mr. Taylor Bachrach: I think the answer is that he can't, because the government is keeping the information secret, so we'll be asking the government to provide that secret information so we can better understand how they came up with these aspirational numbers that have nothing behind them.

I thank Mr. Ngan for his response.

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Bachrach.

Mr. Kram, you have five minutes.

Mr. Michael Kram: Thank you very much, Mr. Chair, and thank you again to all the witnesses for being here.

Mr. DeMarco, I'd like to follow up with some of the questions I asked in my first round of questioning.

We've established that it's the goal of the federal government to have 80% of its vehicles as zero emission by the end of the decade, and we established that right now we're still in the single digits, as is the general population of the country. I asked a question about the carbon tax, and your answer was that the carbon tax theory is sound.

I would like to go a step beyond that into practice. I wonder if you could help us understand how high the carbon tax has to go before the government starts meeting some of its goals? Are we talking \$1 a litre, \$2 a litre or \$3 a litre in carbon tax before we start achieving some of these targets?

Mr. Jerry V. DeMarco: I can't give you an answer that's specific as to when people feel confident enough that it's worth their while to switch. The carbon levy is escalating by \$15 per year to 2030. It will affect people differently. When one person is ready to say,

“Okay, I think it's worth my while, given I just commute and don't do long-distance travel”, they may arrive at that decision earlier, especially if there is a provincial incentive program in there.

I can't say what the number has to be to switch everyone over. It will differ among provinces and among people, but it does have to be high enough so that the math works out, so that someone will say, “Okay, it makes sense for me to do the switch. It's more costly for me to use an internal combustion car than it is an electric vehicle,” but the exact price point, especially since it changes every year because it's escalating, is too hard to say. There may be some year-by-year modelling that Environment Canada has about that. It would be quite different between B.C. and Ontario or Quebec and Ontario, but I don't know if they have that.

Mr. Michael Kram: Yes. I'd be happy to hear from the department, please.

Mr. Derek Hermanutz: Are you referring to the zero-emission vehicles?

Mr. Michael Kram: Let's start with that. To get to that 80% of zero-emission vehicles for the federal government and the population at large, how high does the carbon tax have to go?

Mr. Derek Hermanutz: Like my colleague said, we're not the carbon pricing leads within the department. We can follow up on that.

I'd also be happy to table the RIAS cost-benefit analysis for the zero-emissions vehicle sales mandate.

With respect to federal government targets, I'll turn to my colleague, Erin O'Brien.

• (1235)

Mr. Michael Kram: Maybe I'll come back to Mr. DeMarco with the issue identified on page 11, where “zero-emission vehicles” include trucks that are needed “to pull loads for long periods of time”, and vehicles that need to “work in harsh weather conditions”. I can't imagine any increase in the carbon tax that would make up for these technologies that do not yet exist.

Does it really matter how high the carbon tax goes? If the department can't switch to electric vehicles that are capable of towing certain loads or electric vehicles that are able to work in harsh weather conditions, then what does it matter how high the carbon tax goes?

Mr. Jerry V. DeMarco: There are impacts on the behaviour of consumers in terms of choice of vehicles, but there is also impact on the market and manufacturers. If there is certainty of a carbon price going up, there'll be an acceleration—under economic theory—in the research and development and bringing to market new products, such as three-quarter tonne trucks or one-tonne trucks that we don't have right now.

It's not just incenting behaviour change in the consumer; it's also incenting behaviour change in the market.

For them to meet their target on the fleet, knowing that those specialty vehicles are not available yet, it's all the more important that they switch over for light vehicles now, because they're going to have to wait until later in the seven-year cycle to see if the technology is there for the bigger trucks.

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Kram.

Now, we go on to Ms. Taylor Roy.

Ms. Leah Taylor Roy: Thank you very much, Mr. Chair, and thank you to the witnesses for being here and to the commissioner for doing this report earlier than was necessary. I think we all take this very seriously.

I'm encouraged to see how much we are doing. I know we're falling short of our goals, but we have made a lot of progress.

I appreciate the discussion about the pollution pricing mechanism. I would ask whether there is some kind of primer on pollution pricing that you might also submit to the committee, because there seems to be a great deal of understanding about how this mechanism works and what its impact can be. This doesn't work in isolation. This works in conjunction, obviously, with many other factors.

Speaking of the factors, we were talking about the delineation of jurisdictions. When we look at comparing Canada to the other G7 countries and the percentage of our economy that is reliant on oil and gas, we see that one reason, I believe, that Canada as not done as well as other countries is that the oil and gas sector is a large part of our economy and has not made any emissions reductions.

With technology like CCUS and other programs, we often hear from the oil and gas sector that they are working on plans to decarbonize, that they're going to be bringing down their emissions, and that there's no need to reduce production.

I was wondering if you could comment on that and on the Pathways Alliance in particular. I've heard a lot about them. They're advertised all over Ottawa.

Have you seen any particular plans from the Pathways Alliance on what they're doing or on anything they've actually done to reduce emissions in the oil and gas industry?

Mr. Jerry V. DeMarco: We audit the federal government, not the private sector. It's up to the federal government to make sure the math adds up in terms of all the sectors reaching the target for 2030. It hasn't been the case in the previous plans. They haven't reached the targets, even though—as has been noted today—the efficiency, or carbon intensity, has improved markedly over the years.

Canada does need to get a handle on that. It's not the only country in the G7 that had a large fossil extraction footprint in 1992 when the Rio Convention was signed. Germany, the U.K. and the U.S. also had large fossil energy extraction industries. They're all down since 1990, but Canada is up. These are choices that are made.

Ms. Leah Taylor Roy: Thank you very much.

I want to go back to the delineation of jurisdictions.

We talked about the impact assessment and the fact that we don't have the ability, perhaps, to do as much as we did before.

When provinces are not working in the same direction as the federal government...and I take the great concern the Conservatives have here on electric vehicles as an example. In Ontario, when I bought my first electric vehicle, there was an incentive from the provincial government—think under the Liberal government of Kathleen Wynne—to purchase that. Of course, that, in addition to other things, incentivized people to change their behaviour.

We've just seen Danielle Smith in Alberta put a freeze on wind and solar projects.

How much do you think the willingness of the provinces to align with the climate goals is impacting our ability to meet our emissions targets?

• (1240)

Mr. Jerry V. DeMarco: The chief justice—and I think it's the last paragraph of the impact assessment decision that was just released—talks about co-operative federalism, which I think is what you're getting at. He also talks, in the first paragraph, about the fundamental value of the environment and the right of Canadians to a safe environment.

The jurisdiction is shared in Canada, so there needs to be work done within the spheres of jurisdiction at the federal level, at the provincial level, at the municipal level and with indigenous communities as well.

Carbon pricing and regulation of greenhouse gas pollution are clearly within the federal realm. The federal government does not have to worry about the effect of the Impact Assessment Act decision on its signature pieces in terms of climate change mitigation measures.

Ms. Leah Taylor Roy: Thank you.

Do you see the price on pollution as one of the signature pieces of our platform and our program?

Mr. Jerry V. DeMarco: Yes. I characterize it as one of the big-ticket items, along with the regulation. As you mentioned, there are others, like incentives or subsidies. I believe the department estimates that pollution pricing is going to account for roughly one-third of the reductions it's seeking.

Ms. Leah Taylor Roy: Thank you very much.

The Vice-Chair (Mr. Dan Mazier): Thank you.

Just so everybody knows, we're entering the next round. It might go a little bit over, but instead of reducing everybody's time, if everybody agrees to it, we'll just keep on going with the regular times.

It will be Mr. Leslie, Mr. van Koevenden, Mr. Garon and Mr. Bachrach.

Ms. Leah Taylor Roy: Could we actually reduce the times, as we normally do when we go into the next round?

The Vice-Chair (Mr. Dan Mazier): This is a lot easier. Everybody is here, so we will just keep on going with the regular times. What would be the advantage of—

A voice: Are we doing one more round with the normal times?

The Vice-Chair (Mr. Dan Mazier): It's with the normal times. Thank you.

Go ahead, Mr. Leslie.

Mr. Branden Leslie: Thank you, Mr. Chair.

I agree. I think it's important that we have the provinces and the federal government working together. I think that's why it's so interesting that all of the provinces enunciated their concern about the federal government's decision on changing the carbon taxation scheme.

I'd like to get to the questions. I understand that you guys aren't from the carbon tax branch. I'm still perplexed, and I think most people on this side of table have tried to decipher why on earth this economic and emissions reduction modelling is being hidden under cabinet confidence. Usually, cabinet confidence has been used in the past for SNC-Lavalin scandals or ArriveCAN scandals—scandals.

I'm curious, then, as to why the department is so unwilling to put forward this information that it doesn't seem any of our competitors would be interested in knowing. It doesn't seem as though there is a really good reason the commissioner can't see the full set of data to better understand how we're going to get the 40% reduction by 2030 and have a full understanding of what the economic modelling is.

My question to the department is this: Could we ask you to go ask your colleagues why this is the case and to send a letter or what I assume will be a fairly significant dump of information back to our committee for us to review?

I think, as the recommendation of the commissioner noted, transparency and the reliability of this data are very important. The fact that he and his office are unable to get it, I think, is reason for concern for all members of this committee, and all Canadians should know why this is the case.

Mr. Vincent Ngan: There are a few things.

For one, I can turn to Mr. Hermanutz to talk about the availability of the information. As you know, every year there is an update on the greenhouse gas emissions projections on an annual basis. Also, on a biennial basis, we submit to the UNFCCC a report on the progress of Canada's greenhouse gas emissions reduction. That includes projections subject to peer review.

The third part is that we did provide all the information requested by the office of the commissioner, including a specific reference to one piece of information they were looking for. With that particular piece of information, it is not all the data but one specific piece that is subject to cabinet confidence, pursuant to section 29 of the Canada Evidence Act.

• (1245)

Mr. Branden Leslie: Is that a fair statement, Commissioner?

Mr. Jerry V. DeMarco: We receive only the information that they disclose. It's not like a court, which receives the information in confidence and assesses whether the blacked-out information was properly blacked out or not. We have no reason to believe they were inappropriately withholding information that was found some-

where else and not just in a cabinet confidence. We take them at their word that this information was in a cabinet confidence.

However, it's a choice of the government to have the information housed only there. What we're saying is, in the spirit of transparency, make more information publicly available to us and essentially revisit the choice as to where information that's important for Canadians in terms of accountability is housed.

We aren't saying that the information was improperly redacted or anything like that. We're saying that the choice that was made to have it only in the cabinet confidence and nowhere else reduces the transparency and accountability. That's why recommendation 6.84 is in there; and it's been agreed to.

Mr. Branden Leslie: Thank you, Commissioner.

I think for a government that promised to be open by default, we've seen a bit of a trend line away from that here. I think it's entirely reasonable that you made that suggestion.

I'm just going to switch over to the fisheries audit number 9, on the catch data not being dependable and timely in the commissioner's opinion. Given this reality and some of our struggles between the Department of Fisheries and Oceans and our fisheries communities and fishermen themselves, is there a concern that generally speaking our fishery stocks are not being well managed due to this lack of data available to the department or being found by the department?

Mr. Jerry V. DeMarco: There's a risk regarding the sustainability of the management. We had hoped to look at both the quality of the information base—that is, the monitoring data—and how it's used to good effect to sustain fisheries, but because we encountered so many of the same problems that we had seen seven years ago, the report focuses mainly on trying to tidy up the information base so that they have the information available that is dependable and timely and will help ensure the sustainability of the stock. It's going to take that step of filling in these gaps in the information bases before we can confidently assess one way or another whether the stocks are being sustainably managed or not.

We didn't see any problems with the use of the information they had. Regardless of its limitations, they weren't looking at information and then deciding to set quotas that were too high regardless of whether they were using the information they had properly. The problem that we identified in the report is the quality of that information, not the use of it.

Mr. Branden Leslie: Thank you, Chair.

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Leslie.

Now we go to Mr. van Koeverden for five minutes.

Mr. Adam van Koeverden: Thank you, Mr. Chair. I'll share a little of my time with Ms. Chatel towards the end, if you wouldn't mind letting me know when I'm up to about three minutes.

I'd like to focus a little on provincial jurisdiction. Since it's come up a couple of times, I also drive an electric car. I live in Ontario, so I received a federal subsidy but not a provincial one. It was a long wait for my car, and there isn't a used EV car market in Ontario because we have so few EVs, and that's a direct relationship with our province's removal of the subsidy for EVs and for zero-emissions vehicles. I'm glad that Mr. Deltell was able to obtain a used vehicle in his province, but it was directly because there is a used EV market in Quebec due to the fact that they have so many subsidized vehicles.

Focusing just a bit on provincial jurisdiction, I'm curious to know if anybody has any insight on this. In an alternate universe where provinces were more ambitious... Canada is a federation, and we share jurisdiction in many areas. I'd like to also highlight that we're not talking about a redoubling or tripling of our efforts to get to 40%; it's projected to be around 34%. We need to increase our ambition; we need to go faster and go harder; it's not a matter of doubling or tripling our things.

What role do the provinces and territories play in things like EV subsidies? That's low-hanging fruit, so what else could they be doing to help us achieve these targets together?

Mr. Jerry V. DeMarco: Having conducted an audit at the provincial level in my previous work as well, I can speak to that in part.

It's a whole-of-society issue to address climate change, as is the related biodiversity crisis. Those are whole-of-society crises that need to be addressed. It's not only all levels of government but also individuals in the private sector who all have to do their part in addressing these if we're actually going to succeed in not just hitting a target, which is important, but more importantly averting the worst effects of climate change and biodiversity loss.

Provinces can do a lot in both the climate area and the biodiversity area, given the division of powers under the Constitution, and local municipalities can play a part as well.

On issues of international or national concern such as the climate crisis and the biodiversity crisis, it's incumbent on the federal government to take the lead. There's no doubt about that.

• (1250)

Mr. Adam van Koeverden: Thank you, Mr. DeMarco.

Just very quickly, yesterday I met with Nature Canada, and I'd like to highlight our government's \$1-billion nature protection agreement with the Province of British Columbia and various first nations in the province.

How important is protecting nature and achieving our climate emissions reduction ambitions but also our climate change ambitions? Please give a very short answer so I can pass it over to Sophie.

Mr. Jerry V. DeMarco: There is more and more recognition of the interplay between the climate crisis and the biodiversity crisis, both in terms of the negative effects of climate on biodiversity, and also the role that nature can play in helping address climate issues, so the arrows go both ways in that cycle. Protecting and restoring natural habitat is one of the key measures to not only store carbon...

... It shouldn't just be about storing carbon, but also protecting wildlife and improving—

Mr. Adam van Koeverden: Thank you very much.

The Vice-Chair (Mr. Dan Mazier): Go ahead, Madam Chatel.

[*Translation*]

Mrs. Sophie Chatel: Thank you very much, Mr. Chair.

Major economies are making efforts to transition to green energy, through investments and policies. They are also concerned about competitiveness. We are increasingly talking about carbon pricing and adjusting the price of carbon at the border, in the form of tariffs applicable to countries that do not have such a price, for example.

My question is for Environment and Climate Change Canada. It could also be answered in writing.

The European Union has just introduced a carbon price for certain sectors, including cement. Where is Canada in this discussion?

You have one minute left to respond.

[*English*]

Mr. Derek Hermanutz: Are you referring to border carbon adjustments? Yes. We would have to table some information for you. I can't speak to that issue directly.

[*Translation*]

Mrs. Sophie Chatel: Perfect, that would be great.

There's also competition between the provinces. Indeed, Quebec was a pioneer in setting up a carbon exchange.

In your opinion, if federal carbon pricing were to be eliminated, what would happen to competition between the provinces, between those who are making efforts and those who aren't?

[*English*]

Mr. Derek Hermanutz: Again, we can table some more information, but I think it's fair to say there would be efficiencies for having a common national market, rather than different provincial programs.

[*Translation*]

Mrs. Sophie Chatel: I completely agree with you.

Thank you.

[*English*]

The Vice-Chair (Mr. Dan Mazier): That's it. Thank you, Ms. Chatel.

Go ahead, Mr. Garon.

[*Translation*]

Mr. Jean-Denis Garon: Thank you, Mr. Chair.

Commissioner, the federal government has set targets for the electrification of its fleet of vehicles. Reading your report, it becomes apparent that it's headed straight for failure.

According to the government, it needs such specific vehicles that it would be impossible. Nobody, however, is asking the Canadian army to use electric tanks. We know that 96% of the government's fleet could be electrified, but we're surprised to learn that the federal government isn't even able to pluck the lowest-hanging fruit.

In practical terms, when it comes to procurement policies and planning, what simple things can federal departments and agencies do right away to improve their odds of success? Should they take a page from Parks Canada or the Canada Border Services Agency, for example, who seem to have done a slightly better job than the other departments and agencies?

Mr. Jerry V. DeMarco: We published our reports on net-zero emissions, the current one and the previous one, well before the 2030 target in order to give the departments and agencies time to revise their approach and the chance to meet their targets instead of failing once again. They still have enough time to meet their targets, but they need to be strategic about it and act immediately, because vehicles have a seven-year lifespan.

• (1255)

Mr. Jean-Denis Garon: What can they do, for example?

Mr. Jerry V. DeMarco: They can immediately acquire light-duty electric vehicles. There will be a waiting period, because the market is rather limited, but they need to start with that immediately. As far as heavy-duty trucks are concerned, they will have to wait a few years until the technology has advanced enough. That said, they can take action now.

Mr. Jean-Denis Garon: Is that what Parks Canada did, for example? If it's beginning to use more electric vehicles, is that because it started planning earlier and showed more foresight by getting on waiting lists?

Mr. Jerry V. DeMarco: That's our recommendation in terms of strategic approach. Since light-duty electric vehicles are available right away, they need to acquire some faster. It will take a few years, however, to see if electric trucks will be available. They need to set targets and proceed gradually.

Simply put, the goals are attainable. I hope our report will encourage the departments and agencies to speed up their efforts in a strategic fashion.

[English]

The Vice-Chair (Mr. Dan Mazier): Thank you, Mr. Garon.

Our last questioner is Mr. Bachrach.

Mr. Taylor Bachrach: Thank you, Mr. Chair.

Earlier, my colleague, Mr. Deltell, noted that he had bought a second-hand zero-emission vehicle in Quebec. I'd be remiss if I didn't note that his province of Quebec and my province of British Columbia are the only two provinces that have incentives in place for used zero-emission vehicles. It's appeared in two mandate letters for the federal Minister of Environment to put a federal incentive in place for used vehicles, yet we have seen nothing from this government. It seems like one of the things that could be done.

On the topic of government fleet vehicles, every day that I'm in the capital I walk from my office in Confederation Building up that little hill to West Block. Many days, I walk past a long line of black government SUVs that carry the ministers around to their various locations around town. I may be mistaken, but in the four years I've been here, I've noticed only one zero-emission vehicle that carries a minister of this government. That is the black Chevy Bolt that carries the Minister of Environment.

It would seem, for a government that at times seems fixated on optics over substance, that this wouldn't just be the low-hanging fruit; this is the lowest-hanging fruit. This is fruit you can pick lying on your back under the tree.

Voices: Oh, oh!

Mr. Taylor Bachrach: We talk about a whole-of-government approach.... I don't even know who I'm going to ask this question to, Mr. Chair, because it's more of a comment.

One of Mr. DeMarco's observations in his report is that there's a lack of a whole-of-government approach. It seemed to me that this symbol—the fact that there's only one vehicle that totes ministers around Ottawa that is a zero-emission vehicle—is a really poignant example of the lack of a whole-of-government approach.

My question, and how I'll end our meeting today, is to just ask Mr. DeMarco if he would agree.

Mr. Jerry V. DeMarco: In a few seconds....

In terms of low-hanging fruit, I'm not sure if it's that easy or whether an analogy could be made to Tantalus. We'll have to see in terms of how easy it is to switch.

I believe there actually is a requirement for executives—ministers and deputy ministers.... Perhaps our friend from Treasury Board could elaborate on that. It isn't supposed to be a situation in which there are only one or two. The executive fleet is supposed to be green.

Mr. Nick Xenos: Yes, there is a requirement for executive vehicles to be electric. Currently, there are 84 executive vehicles, of which only four have internal combustion engines. The rest are hybrid electric, plug-in hybrid or electric.

Mr. Taylor Bachrach: Is a hybrid vehicle considered zero emission?

Mr. Nick Xenos: It's not zero emission, but the requirement is that it be hybrid or electric, with a priority on electric. There are 19 plug-in hybrids, four electric and, as they turn over, the requirement—

The Vice-Chair (Mr. Dan Mazier): Good. Thank you very much. Thank you to everyone. Thank you to the witnesses for coming out.

Commissioner, thank you for doing this study. As you can tell, there are still lots of questions and lots of good data we can still get out of this to make sure this important subject moves forward.

Thank you to everyone who was supporting the committee today. The meeting is adjourned.

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