



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

44th PARLIAMENT, 1st SESSION

---

# Standing Committee on Natural Resources

EVIDENCE

**NUMBER 078**

Monday, October 23, 2023

---

Chair: Mr. George Chalal





## Standing Committee on Natural Resources

Monday, October 23, 2023

• (1105)

[English]

**The Chair (Mr. George Chahal (Calgary Skyview, Lib.)):** I call this meeting to order.

Welcome to meeting number 78 of the House of Commons Standing Committee on Natural Resources. Today we meet to resume our study of Canada's clean energy plans in the context of North American energy transformation.

Since today's meeting is taking place in a hybrid format, I would like to make a few comments for the benefit of members and witnesses.

Please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mike. Please mute yourself when you are not speaking. For interpretation, for those on Zoom, you have the choice at the bottom of your screen of either floor, English or French. For those in the room, you can use the earpiece and select the desired channel.

Just as a reminder, all comments should be addressed through the chair. Additionally, taking screenshots or photos of your screen is not permitted.

In accordance with our routine motion, I am informing the committee that all remote participants have completed the required connection tests in advance of the meeting.

You'll notice that I am using these two cards. Yellow is a 30-second warning; red means your time is up. It's like a stop sign. Be conscious of that. However, I'll try not to interrupt you in mid-sentence so that you can finish off your last thought.

I would now like to welcome the witnesses who are with us this afternoon.

From the Canadian Chamber of Commerce, we have Mr. Matthew Holmes, senior vice-president of policy and government relations; and Bryan Detchou, senior director of natural resources, environment and sustainability.

From the Canadian Climate Institute, we have Jonathan Arnold, research director of clean growth, by video conference.

From the Canadian Labour Congress, we have Bea Bruske, the president, and Alex Callahan, national director of health, safety and environment, by video conference.

From the Macdonald-Laurier Institute, we have Dr. Heather Exner-Pirot, senior fellow and director of natural resources, energy and environment, also by video conference.

From the Net-Zero Advisory Body, we have Dan Wicklum, co-chair, by video conference.

Finally, from Unifor Québec, we have Daniel Cloutier, Quebec director, by video conference.

Welcome to the committee. Thank you for taking the time to appear today.

We will begin with the Canadian Chamber of Commerce. You have up to five minutes for an opening statement.

Mr. Holmes, you have the floor.

**Mr. Matthew Holmes (Senior Vice President, Policy and Government Relations, Canadian Chamber of Commerce):** Thank you, Mr. Chair and honourable members. It's a pleasure to join you today for this discussion.

My colleague and I are here on behalf of the Canadian Chamber of Commerce to speak to the steps necessary for Canada to meet the challenges and opportunities presented by the broader North American energy transformation. Getting the clean energy transition right is important to our members. We represent not only the sectors and businesses most involved in this transformation but also the communities across this country that they support.

The Canadian Chamber of Commerce represents 200,000 Canadian businesses through more than 400 local, provincial and territorial chambers of commerce and boards of trade and over 120 trade associations. We represent members of all sizes of business, in every sector of the economy, across all regions of the country.

First, let me emphasize that the Canadian Chamber and our members recognize the paramount importance of addressing climate change and meeting our net-zero goals. Canadian businesses of all sizes, from coast to coast to coast, are committed to playing their part in the collective effort to combat climate change.

With that said, our remarks will focus on what Canadian businesses need from the federal government to help Canada achieve its economic and environmental ambitions and position our nation as a leader in the global transition economy. Candidly, what businesses need can be summarized in four words—ambition, clarity, predictability and efficacy.

I will now share the time with my colleague, Bryan Detchou.

[Translation]

**Mr. Bryan Detchou (Senior Director, Natural Resources, Environment and Sustainability, Canadian Chamber of Commerce):** Canada is not lacking in ambition. We acknowledge and appreciate the government's firm resolve to conduct global initiatives to combat climate change. However, while Canada may be exceedingly ambitious, only action moves things forward.

Unfortunately, Canada has acquired the reputation of being a country that can't carry through with major undertakings. We have to acknowledge that the only way to achieve our common carbon neutrality objectives is in partnership with the private sector. The global transition to carbon neutral energy consumption is well under way. Canada's capacity to be competitive and to succeed requires adaptability, speed and efficient coordination by governments and industry. Canadian companies will have trouble effecting this transition unless they acquire the necessary infrastructures, regulatory frameworks and funding programs in time.

[English]

Right now, Canada's lack of clarity, predictability and efficacy in its approach to environmental policies represents the foremost challenge in achieving the nation's net-zero commitments. These issues impede the ability of businesses to make informed decisions, plan for the long term and allocate resources effectively. They also discourage the foreign direct investment and innovation that our economy needs.

The urgency of 2030 and 2050 net-zero targets requires that the federal government prioritize the following: removing barriers that compromise competitiveness, delay project approvals and place redundant and overly onerous reporting requirements on businesses; reducing permitting timelines to speed up the pace of investment and development of major projects; accelerating the implementation of incentives for clean technology deployment and adoption in Canada through investment tax credits, strategic finance and targeted programming; incentivizing partnerships with indigenous communities that advance decarbonization projects and support economic reconciliation; establishing a modernized, efficient regulatory framework that responds to the needs of industry and respects the jurisdictions of both the federal government and the provinces; and acknowledging regional differences, as geographic, economic and demographic diversity necessitates different policies, practices and investments.

Lastly, I understand the committee continues to examine the competitive challenges the United States Inflation Reduction Act poses for Canada in attracting investment for the domestic net-zero economy. While Canada cannot directly rival the U.S. in terms of financial resources, direct financial support, investment and incentives nonetheless remain an indispensable part of the policy mix. What Canada must also strive for is to turn its regulatory framework and operational efficiency into a competitive strength that will allow us to spearhead the North American energy transformation.

• (1110)

[Translation]

Making these adjustments may restore the confidence Canadian businesses need to make long-term investment decisions, create innovative carbon neutrality technologies and attract the investments the country needs, thereby speeding up its path towards achieving our carbon neutrality ambitions.

Thank you for your attention.

[English]

**The Chair:** Thank you for your opening statement.

We will now go to the Canadian Climate Institute and Mr. Jonathan Arnold, who is appearing by video conference.

**Mr. Jonathan Arnold (Research Director, Clean Growth, Canadian Climate Institute):** Thank you for the opportunity to meet with this committee today.

My remarks focus on four policy insights from the Canadian Climate Institute's research. They focus on policy solutions that can keep Canada's economy competitive and resilient as the world shifts to a net-zero future.

The first insight is that the global shift to a low-carbon economy is accelerating and will fundamentally reshape Canada's competitiveness. Over 70 countries have now committed to net zero by mid-century. That covers over 90% of global GDP, 80% of global oil demand and 75% of global natural gas demand.

In financial markets, international investors, managing over \$61 trillion in assets, have committed to net zero. At the same time, demand for keystone technologies, such as solar panels, heat pumps, wind turbines and batteries, is growing rapidly as their prices continue to fall.

These trends have flipped the script for Canada's long-term competitiveness. Moving too slowly is now a greater competitive risk than moving too quickly.

The second insight is that Canada can compete in this global low-carbon economy without replicating the U.S. Inflation Reduction Act. The IRA is perhaps the most concrete example of how the global transition is accelerating, directly affecting international investment choices and competitiveness. However, its scale and magnitude make it impractical for Canada to emulate. Canada's advantage is a portfolio of policy tools, including targeted investment tax credits as well as regulatory and pricing policies. In particular, carbon pricing improves the economics of low-carbon projects and is a powerful draw for investment. Carbon pricing is also cost-effective, with low fiscal costs.

However, businesses and investors need certainty that the carbon price will continue to rise over time and that carbon credits will continue to have market value. Carbon contracts for differences can provide this certainty, making it imperative that the federal government implement this proposed policy.

Governments can also give businesses and investors more certainty by backing the creation of a climate investment taxonomy, which provides a common language around risks that come with the global energy transition. Canada is one of the few G20 countries that do not already have a taxonomy. The framework proposed by the Sustainable Finance Action Council and the Canadian Climate Institute could make Canada a leader in this field.

The third insight is that clean electricity is a huge asset for Canada in the competition for global capital. The availability of clean, affordable electricity is now affecting company decisions about where projects get built. Canada already has a clear head start, with over 80% of its electricity produced with zero emissions today.

However, Canada's electricity systems must keep pace with demand that could double or triple by 2050. The scale of that challenge requires unprecedented policy action. Moving ahead with the federal government's clean electricity standard is critical to creating bigger, cleaner and smarter electricity systems, and the proposed \$25 billion in federal investment tax credits can help accelerate private sector investment toward this goal. The federal government can also play a more active role in mobilizing provincial and territorial policy to ensure that Canadian clean electricity remains the backbone of a competitive net-zero economy.

The good news is that the total energy costs for Canadians could actually decrease by 12% in the transition, as more people use more efficient technologies like heat pumps and electric vehicles.

The fourth and final insight is that Canada's oil and gas sector faces unique challenges in the global energy transition but that public policy can play an important role in reducing these risks.

The long-term decline in global demand for fossil fuels creates a dual challenge for Canada. First, the sector must reduce its emissions to stay competitive in a market that will put a premium on low-carbon barrels. Canadian oil and gas producers are some of the most carbon-intensive in the world, and the sector has the fastest-growing emissions in the country. Addressing this challenge will require large-scale investments from oil and gas companies to meet their own climate commitments.

The second part of this challenges pulls in the opposite direction, as declining global demand will undermine this sector's long-term economic viability. These global shifts will increase risks to Canadian workers, communities and governments.

With the right policy package, however, the federal government can support both the short-term and medium-term competitiveness in the oil and gas sector.

Capping oil and gas emissions can help guarantee that sectoral emissions decrease over time. Moving ahead with stronger methane regulations can deliver an estimated one-third of the emissions under a federal cap and can do so cost-effectively.

The proposed investment tax credits for technologies like carbon capture and storage, as well as moving ahead with things like carbon contracts for differences, can help de-risk low-carbon projects.

Finally, a government-backed climate investment taxonomy can help to scale private investments.

• (1115)

Thank you for the opportunity to discuss this important issue. I look forward to questions.

**The Chair:** Thank you for your opening statement.

We will go to the Canadian Labour Congress for five minutes.

**Ms. Bea Bruske (President, Canadian Labour Congress):** Thank you, Chair.

Good morning to committee members. It's my honour and my pleasure to be here with you this morning.

The Canadian Labour Congress advocates on behalf of workers all across Canada. We know the world is changing, and for Canada and Canadian workers to be global winners, we know that unions need to act and workers need to act.

This committee is looking explicitly at the impacts of President Biden's Inflation Reduction Act and what that means for Canada. President Biden has made no secret of the fact that his plan is pro-environment, pro-union and pro-worker. This summer, President Biden celebrated the anniversary of the IRA's passage. His statement mentioned union jobs the same number of times he mentioned the word "climate".

If Canada is serious about responding to the IRA and studying how Canada creates good union jobs, the first thing we need to do is start speaking the language and talking about good union-specific jobs. Words matter, and we think we need to use those words. Biden is sending a very clear message to workers; Canada isn't sending that message, but we can.

Putting that message into action will mean Canada must create and protect good, safe, well-paid, unionized low-carbon and no-emission jobs in energy and beyond. That means supporting low-carbon industries like critical minerals, low-carbon manufacturing, low-carbon supply chains and so forth. It means taking steps to ensure jobs that are created are good jobs. It will also mean decarbonizing good work and protecting work that is already low-carbon work.

It's good to see that some work of this nature is starting to ensure that investments in decarbonizing are creating good jobs. The labour conditions in Canada's clean economy investment tax credit ensure that workers are paid prevailing wages when companies get government help in investing in hydrogen, clean electricity, clean manufacturing and carbon capture. This is a good start, although the amount of the credit attached to labour conditions should be higher to ensure that labour conditions are actually met.

This committee must recognize it is not a foregone conclusion that low-carbon jobs will be good jobs. For example, until recently, the province of Alberta had some of the most rapid renewable energy growth in the country. While some key jobs, such as crane operators installing wind turbines, are good, safe, unionized jobs, the Alberta government allowed non-qualified workers to work on major solar panels. Once light hits a panel, it's like a generator has been switched on, but instead of ensuring that this work is done safely by qualified, trained electrical workers, it's being done by people with a few weeks of training. This is not good for workers, nor is it good for the public.

Some basic ways to ensure that investing in a low-carbon economy creates good jobs would include ensuring that work is done by qualified workers; using community benefit agreements to set hiring, training, wage and other labour standards; and addressing long-standing labour issues like list availability and penalties for unfair labour practices.

At the same time, Canada must protect good low-carbon jobs. Canada has a strong manufacturing economy that has made important investments in decarbonizing. Those good jobs have to be supported to realize everyone's investments, so whether it's ensuring clean Canadian steel can compete around the world, investing in decarbonizing industries across Canada or ensuring industries like chemical or automotive industries are going to reduce emissions, the best way to have good union jobs is to keep workers in their jobs, within their collective agreements, in their pension plans and have the work be decarbonized around them.

Canada must also apply a regional lens to this work. A worker with a good job is a foundation for their community. The IRA's energy community bonuses attach tax credits when jobs are created in communities that are historically tied to coal. The CLC is working on recommendations for how Canada can support the diversification of the economies of communities tied to high-emissions industries so communities can continue to thrive and to grow.

Whether Canada is protecting and decarbonizing work or supporting the creation of new jobs, it is very clear to us that workers will need the skills to take advantage of these changes. They need to go from the skills they have today to the skills that are going to be needed in a net-zero economy. For some workers, that means re-

training, because they're entering new fields. For others, it might mean upskilling because their industry or their jobs are changing. In either case, workers have to be able to access accredited, recognized training that prepares them for that real job. That means investing in accredited, not-for-profit institutions like our world-leading union training centres or our public college systems.

Finally, workers have to be at the table. As the economy changes, the work people do will change. Workers are the experts both in what they do, how they do it and what they need.

• (1120)

We are pleased to see that the sustainable jobs act is being debated. Canada's unions have been vocal in calling for strong labour representation in the sustainable jobs partnership council. We are also supportive of all measures that ensure that workers are at the table discussing and bargaining for changes with their employers, and with governments when appropriate.

**The Chair:** Thank you for your opening statement. You were right on time.

We'll now go to Dr. Heather Exner-Pirot for five minutes. She is from the Macdonald-Laurier Institute and is here by video conference.

**Dr. Heather Exner-Pirot (Senior Fellow and Director, Energy, Natural Resources and Environment Program, Macdonald-Laurier Institute):** Good morning, Mr. Chair and committee members. Thank you for the opportunity to speak to you today.

I'll focus my remarks on three areas: critical minerals, investment tax credits and nuclear energy.

There is widespread consensus in the resource sector that we are not competitive enough in attracting investment in this country and that Canada's businesses, workers and economy have suffered as a result. While we enjoy a tremendous natural resource endowment, our regulatory and policy environment is inefficient and cannot support the investment and activity required to meet our net-zero goals.

According to NRCan's major projects inventory, the value of projects planned or under construction in Canada since 2015 has fallen by 31%, from \$711 billion to \$520 billion. This does not account for inflation either.

Critical minerals are the foundation for a transition from an energy system based on fossil fuels to one based on renewables and electrification. The International Energy Association has suggested that we need six times more critical mineral production by 2040 to meet our net-zero goals. For some minerals, like lithium, graphite, cobalt and nickel, it's more than 20 times as much. EVs and electricity networks make up the bulk of this demand.

We are nowhere near increasing mining production enough, globally or domestically, to meet net-zero goals. In fact, in 2022, world mining production was less than it was in 2019.

Far from rapidly increasing mineral production, we have plateaued. Global mining capital expenditures are about two-thirds of their peak, which was in the last commodities boom in 2012. Global mining finance, debt and equity is about one-third of the peak, which was in 2013. The reasons for this include a decline in ore grades, high costs of capital, volatile commodity prices, growing regulatory burdens, supply chain pressures and an aging workforce.

Similarly, in Canada, despite strong rhetorical support, critical minerals production is actually declining, not growing. Natural Resources Canada released its annual mining projection results in mid-April, confirming that we produced less copper, cobalt, nickel, zinc, uranium and platinum-group metals in 2022 than we did in 2019.

Canada has tremendous geological potential, but we are not realizing it. Most of our allies are net mineral importers, not exporters. They are depending on us to be a reliable and growing source of minerals, and we are not stepping up.

Next are investment tax credits. ITCs are the most important tool of the Inflation Reduction Act for stimulating investment and growth. To compete, the Canadian federal government has committed to developing ITCs for clean technologies in its last three budgets, but as of today, none are in force. While draft legislation has been published for CCUS and clean technologies, the ITCs for hydrogen, clean manufacturing and clean electricity remain conceptual. These are of limited use to firms or investors considering projects in Canada.

Delays in finalizing the terms and conditions of each ITC through law effectively freeze capital and diminish Canada's ability to achieve its emissions reduction targets. There is also a perception in the business community that Canada's ITCs are overly complex and inconsistent with the objective of using tax policy to attract higher levels of investment. Clawback provisions, different phase-out schedules, narrow and confusing eligibility criteria, knowledge-sharing requirements and high-level auditing risk are just some of the provisions discouraging investment.

Not all is lost. The nuclear sector in Canada shows what's possible when Liberals, Conservatives, the provinces and the federal government have common goals, as well as a regulator that actually supports rather than frustrates development. Canada is emerging as a global leader in the development of advanced reactors as well as in continuing to commercially develop its iconic CANDU technology. We are leveraging our incredible uranium reserves and nuclear expertise not only to decarbonize domestically and help advance

the energy security of our allies in eastern Europe and elsewhere, but also to build a globally competitive supply chain around nuclear engineering, advanced manufacturing and services.

Although the Impact Assessment Agency, the IAA, has the regeneracy and regulatory burden, the Canadian Nuclear Safety Commission itself is world class and actually provides a competitive advantage to our nuclear industry as it develops new reactor models. With that example in mind, there is much more to be done to achieve our clean energy plans. Working Canadians and industry share a goal of a strong economy and a healthy environment, but we will not have either unless our policy and regulatory environment improves.

Thank you for your time.

• (1125)

**The Chair:** Thank you for your opening statement.

We will now go to the Net-Zero Advisory Body and Dan Wicklum, who is with us by video conference.

**Mr. Dan Wicklum (Co-Chair, Net-Zero Advisory Body):** Thank you very much.

Thank you to the committee for the invite.

I want to acknowledge that I'm coming to you from the Treaty 7 region in southern Alberta. This has also been a gathering place for Métis and indigenous peoples other than Treaty 7 signatories.

I'm coming to you as the chair of the Net-Zero Advisory Body. We were created in 2021 under the Canadian Net-Zero Emissions Accountability Act. We provide the Minister of the Environment and Climate Change with independent advice on interim emission reduction targets, leading up to 2050. We give advice on the most likely pathways that will make sure Canada is a competitive net-zero emissions jurisdiction by 2050, and we also deal with any matter referred to us by the minister. We're a group of 13 members from all regions of Canada, with diverse and established expertise in a range of fields.

I have two main points.

The first one I'm not going to belabour, because everyone who has already spoken to you has made this point up front, and it is that emissions reduction and climate change are no longer just about emissions reduction and climate change: Emissions reduction is now a competitiveness issue. Every major economy on the planet is retooling itself to make sure they can reduce their emissions. They now understand that with this remarkable change in our economy, they have to position themselves to win economically in the future, and if they don't, they will lose. This is the fundamental change that has happened in the last few years. Emissions reduction is now about competitiveness.

The second major point is that there's actually more certainty than uncertainty when it comes to the technologies and approaches that we need in order to get to net zero. For 30 years we've been trying to reduce emissions, and we have many options to do that. We can keep our similar systems; we just have to make them more efficient to reduce emissions.

However, if the objective now is to get to zero emissions under a net-zero definition, rather than just reduce emissions, there are actually many fewer pathways and fewer technologies and technology configurations that can truly be a net-zero society. In some regards, although it's not easier, it is simpler, because the technologies are actually more limited in number. There's more certainty than uncertainty.

Where does this leave Canada? To be clear, the Government of Canada has done much. We've had billions deployed and still have billions in various funds. Budget 2023 introduced many investment tax credits, but we're chasing a moving target. Our major trading partners and our competitors are moving extremely quickly and extremely deliberately to make businesses in their economies able to compete and win in what is a fundamental retooling of the global economy tracking toward net zero.

What would it take for Canada to be more deliberate and to bring together all of the pieces we have into a more coherent strategy?

Number one, we think we need to do a more deliberate analysis of what Canada's unique competitive advantages are. To date, most of our programs and policies have been more of a blanket approach, but we're not going to compete economically in terms of the amount of money the investors spend with larger economies. We need to be more deliberate and targeted. We need to start with that analysis.

We need an approach that aligns the supports and policies with those inherent advantages. The Transition Accelerator and Clean Prosperity have just completed—to the extent possible—an apples-to-apples comparison of U.S. competitiveness versus the Canadian competitive environment in terms of supports, incentives, regulations and policies across a range of technologies that will absolutely be required in a net-zero world: different types of hydrogen, electric vehicle batteries and sustainable aviation fuel. In some cases, we stack up well. In other cases, we don't stack up well at all. Aligning our supports with these Canadian advantages is something that the Net-Zero Advisory Body feels very strongly about.

On aligning the demand side in a confederation that is sometimes difficult to navigate, in some cases we see municipalities taking a

very strong leadership role and some provinces taking a very strong leadership role. The federal government also clearly has a foundational role in driving the economy to net zero, but doing better in aligning interests and approaches across three levels of government, along with indigenous interests, although difficult, really seems to be something that we need to put more thought into and make more progress on.

Another thing that we feel very strongly about is having plans that are implementable. For example, if we have a hydrogen strategy for Canada, we feel very strongly that we have to have competitiveness goals embedded in the strategy to understand, for example, how much hydrogen we need to use in Canada, at what price and at what carbon intensity and by when, if we're actually going to track a deliberate pathway to net zero.

• (1130)

It's only with this concept of quantitative competitiveness goals that we can assess whether or not we're making sufficient progress on the economy's key sectors that we need to get to net zero, or whether or not we need to retool or adjust our approach in order to make sufficient progress—

**The Chair:** Mr. Wicklum, I would ask that you wrap it up, please.

**Mr. Dan Wicklum:** My last point is that we think the civil service clearly has a strong role, and we think the modelling and policy capacity could be bolstered, considering the economic stakes we have in this retooling global economy.

Thank you.

**The Chair:** Thank you for your opening statement.

We will now go to Unifor Québec and Mr. Daniel Cloutier by video conference.

[*Translation*]

**Mr. Daniel Cloutier (Québec Director, Unifor Québec):** Good morning. Thank you for giving us the opportunity to present our point of view on the topic of this study.

Unifor members are active in every economic sector, including aerospace, education, fisheries and food, in addition to a number of industry sectors that are facing very rapid transformations in terms of decarbonization and biodiversity protection efforts. From natural resources to manufacturing, every sector is affected. Whether we are talking about vehicle and bus manufacturing, aluminum, energy, aerospace, forestry, and a host of other fields, our members are leading the way.



Major transformations are under way. While these create historic opportunities, they also raise crucial issues for the future of workers. Will the same number of workers be needed for the production of electric vehicles, which have far fewer parts than today's vehicles? With the transformation of aluminum manufacturing technology, will the same number of workers be needed when anodes need replacing only every 30 months rather than 30 days? Will the cost of decarbonization initiatives be taken into consideration for our industries when they have to compete with products from countries that are less environmentally conscious? Will some border procedures be adjusted? Will the new green low-carbon economy result in good, well-paying jobs for workers, and enable them to exercise their right of association?

Unifor firmly supports the transition to clean energy. It is nevertheless very vigilant about the risk that this transformation might become a pretext for doing away with good union jobs. We shouldn't have to choose between the creation of vulnerable new jobs in a "green" economy on the one hand, and the decent retirement provisions, health and safety benefits and years of skills we have all fought so hard to acquire.

The fact is that the transition is not being deployed everywhere in the same way or at the same speed. That's why support mechanisms have to be flexible and adapted to the circumstances.

Unifor believes in a comprehensive approach tied to compensatory and transformative measures. Although support measures may be compensatory and designed to protect things like income security or facilitating requalification, we think that in most instances, support measures will be needed to assist with the transformation of existing activities and jobs and to help workplaces make the transition to decarbonization.

This requires an enormous effort that is going to increase over the coming decades. To meet the challenge, we need a broad and coherent industrial strategy. We need intelligent investment and targeted support measures for workers in key sectors. We have seen how the U.S. Inflation Reduction Act was a game changer in that country and everywhere else. According to estimates by the Climate Power non-governmental organization and others, approximately 300 clean energy projects in more than 40 American states led to the creation of no less than 170,000 jobs. That's impressive.

Canada is not being left behind. In the most recent federal budget, nearly \$80 billion has been allocated to similar incentives. From Volkswagen to Northvolt, we can see that some efforts have yielded results. Nevertheless, we believe that these substantial investments of public funds need to have conditions attached.

Last January, during the consultation on clean energy and hydrogen credits, Unifor gave some concrete illustrations of the methods we advocate. One example was the introduction of a salary floor, a requirement for a 10% to 15% percentage of apprentices to offset the labour shortage and ensure the transfer of skills, the need to provide credits for activities other than those linked to the construction of new projects, such as production, in addition to ensuring the neutrality of recipient companies during unionization activities.

To conclude, I wish to underscore just how grateful we are for the language used by the federal government in its last budget. I am

speaking more specifically here about the explicit reference to the role of unions as stakeholders in sustainable job initiatives.

• (1135)

Unifor believes that a fair transition must be planned, fuelled by social dialogue, and in particular that it should involve unions. Through the creation of the Sustainable Jobs Partnership Council, Bill C-50 gives us an opportunity to walk the talk. To succeed, however, the current wording needs specifically to require that one-third of the seats on the council be for union organizations. It's not too late to get things right and to improve the bill.

Thank you for your attention. I'm available to answer any questions you may have.

[English]

**The Chair:** Thank you, Mr. Cloutier, for your opening remarks, and thank you to all the witnesses for your opening statements.

We'll now go to our first round of questions for six minutes each.

We'll start with Mrs. Shannon Stubbs from the Conservative Party of Canada.

**Mrs. Shannon Stubbs (Lakeland, CPC):** Thanks, Chair.

Ms. Bruske, because I have limited time, I'm wondering if you could make sure, after the committee meeting, to table with the committee the sources and the material and all the information you were talking about in your comments around Alberta.

As Conservatives we've been clear that we want to cut red tape, cut timelines and make Canada competitive, efficient, predictable and certain, and particularly we would like the private sector to make those investments and create all those jobs. To that end, my questions will be directed to private sector proponents.

To the representatives of the Chamber of Commerce and Macdonald-Laurier Institute, you both commented in different ways about the importance of clarity, certainty and predictability.

Could you, at the outset, explain the importance of those factors when it comes to regulatory timelines and business rules in private sector proponents' consideration of what makes a business case for a long-term major multi-million- or multi-billion-dollar investment?

We'll go first to the Chamber of Commerce and then to the MLI.

• (1140)

**Mr. Matthew Holmes:** Yes, we need certainty, we need clarity, and we need some transparency. That goes through everything, from the ability of a business to know whether it will be eligible to the speed at which a decision is made. The Macdonald-Laurier Institute spoke compellingly as well of the audit risk and the other factors that come into play in a decision by a business to use private capital.

What we need to do, and what is very important, is to have long-term private sector-funded growth of our net-zero economy. For those decisions to be made over the long-term, there needs to be that certainty. If we look at the IRA in the United States, we see that it was passed in August 2022. We've had a series of signals from government on the sorts of investment tax credits and other program elements that will be introduced. A full year has gone by, and then some. We're now in the fourth quarter of 2023. Investment decisions for 2024 are largely already made.

If we're lucky, major projects may be starting to move in a year's time from now, so we're talking about a two-year to three-year lag. There's already funding coming out of the U.S. for these major projects, and we're that far behind.

**Mrs. Shannon Stubbs:** It seems, of course, clear that with this lack of certainty, clarity and predictability in our own framework, it would be impossible for Canada to compete when the competitive country has already deployed all of these measures.

If anybody wants to expand more on the differences between the ITC models as you understand them in Canada, which are exclusionary of certain technologies and sectors, and the U.S. model, I think that would be helpful. You may want to comment, if you do, on the importance of production tax credits and how that might stack up, but what's very clear is the reality that the U.S. has already deployed all these efforts, and Canada can't spiral down a race on subsidies, so therefore Canada has to improve every single other thing in our control.

Given the MLI's comments about the reality that the production of critical minerals and metals in 2022 was lower than in 2019, and also knowing that in Canada it takes anywhere from 10 to 25 years for a mine to go from concept to production, would you want to explain more about how this lack of certainty that impacts the business case decisions of private sector performers will actually hamper the deployment of clean technology, hamper private sector clean investment in job creation, and also, as you've articulated, keep Canada from being able to meet the net-zero goals that politicians promised?

**Mr. Bryan Detchou:** What I would say to that, as mentioned in our opening statement, is that Canada needs to find its competitive advantage, and that competitive advantage can be our regulatory framework. Many people have mentioned that we're not going to be able to go toe to toe with bigger economies, so our regulatory framework has to be our strength. The positive thing about this is that for the most part, having an efficient regulatory framework will not cost significantly. It might not cost anything at all.

I think those are measures that can allow Canada to be extremely competitive without necessarily having to spend significantly more money, especially—

**Mrs. Shannon Stubbs:** That should be moved on aggressively. We are, of course, in the awkward situation of a government being in place for eight years, so there would also be the need for fixing the regulatory mess over which they've presided and which they've partially created.

Perhaps we can also give the representative from the MLI a chance to get in on this discussion before I run out of time, Mr. Chair.

**Dr. Heather Exner-Pirot:** I'll try to be quick.

The main challenges I hear are duplication, redundancy, long timelines and political risk. Until there are actually shovels in the ground, there could be a designation or there could be a veto.

What the Business Council of Alberta said eloquently was that ultimately what needs to happen is that a CEO needs to be able to go to their board and say with some certainty what the cost of a project will be and what the timeline of that project will be so that they can make a business case for it and plan for it. That's not possible in Canada right now.

A colleague of mine in New York who is in the nuclear renewable space—not oil and gas—emailed me following the impact assessment decision. He says they're watching. A major multinational firm is watching the IA changes. Right now, they internally call the Impact Assessment Act the “Don't Invest in Canada Act”. I've heard that it's a “Don't Invest in Canada Act”, that we're a banana republic and that there's quiet quitting. The numbers all support this, so—

• (1145)

**The Chair:** We're out of time.

**Dr. Heather Exner-Pirot:** It takes 17.9 years in Canada to build a mine. I wish it was 10 to 15 years.

**The Chair:** Thank you.

We'll now go to Viviane Lapointe from the Liberal Party for six minutes.

**Ms. Viviane Lapointe (Sudbury, Lib.):** Thank you, Mr. Chair.

My question is for Mr. Arnold.

In terms of economic and political considerations for clean energy transitions, there's a lot of misinformation regarding pollution pricing and carbon capture policies.

Can you share your insights on how the Inflation Reduction Act may influence carbon pricing policy and targets in Canada, and how we can communicate the urgency of climate change to Canadians struggling with paying more for fossil fuel items, such as gas and home heating oil?

**Mr. Jonathan Arnold:** Thank you for the question.

As I mentioned in my opening statement, we see Canada's carbon pricing system as an advantage in responding to the U.S. Inflation Reduction Act. It is one of the most—if not the most—economically efficient ways to go about regulating or pricing emissions, and it does so with a relatively low fiscal cost.

The next big step that Canada needs to take is implementing carbon contracts for differences, which can essentially give businesses and investors some assurance that the price on carbon will rise according to its existing schedule so that it becomes, essentially, bankable. That's often a term we hear with the production tax credits in the U.S.—that these are “bankable”. Well, putting a price on carbon and wrapping carbon contracts for difference around that makes that bankable, just as the investment tax credits are bankable.

In terms of affordability, obviously a revenue-neutral carbon tax is a critical plank to ensure that. Ensuring the ways in which those revenues are returned to households is especially important, in terms of making the whole system more progressive for the lowest-income Canadians.

There are multiple ways to do that. In many cases, the Canadian government is already taking that approach. I think there are a lot of opportunities to leverage instruments such as carbon contracts for difference, as well as investment tax credits. Then, on the private sector side, implementing a climate investment taxonomy can give businesses and investors more certainty to invest in a clean economy.

**Ms. Viviane Lapointe:** Thank you, Mr. Arnold.

Another question I have for you is this: How can we bring Canadians together to move forward on clean technology without people or industries feeling as though they're being unfairly affected by environmental policies?

**Mr. Jonathan Arnold:** That is a very big question.

I think a lot of it needs to be about the benefits associated with the technologies that Mr. Wicklum was talking about in terms of getting us to a net-zero pathway. A lot of these technologies are more efficient. Oftentimes they're better from a user experience perspective, and they're also more affordable.

The analysis that we've done at the institute shows that the switch to electrification can actually save Canadians money on their energy costs or on their energy bills. It's those types of data points and statistics and running the numbers that I think can really make it clear that this isn't just about climate or energy but about moving to an energy system and to products that are going to make people's lives better. I think there are a lot of opportunities there that aren't yet being captured.

**Ms. Viviane Lapointe:** Thank you.

My next question is for the Canadian Chamber of Commerce.

I'm the MP for Sudbury, so you can imagine the role of mining and critical minerals in Canada's clean energy. Transition is always top of mind.

We know that we can't have a clean energy transition and that there is no net zero without critical minerals. However, I think we

need to look beyond large multinational companies and large government subsidies. We also need to focus on the smaller businesses and innovators right here at home.

What opportunities do you see in our domestic market, as well as in international markets, for value chain and supply chain opportunities for our small and medium-sized businesses?

• (1150)

**Mr. Bryan Detchou:** I would say that there are many mining projects that hopefully will be developed in Canada in the coming years, and with those projects come incredible jobs and opportunities for the people and the communities in the regions.

I represent many members who are collaborating with their local communities and with indigenous communities, and they're talking about all the jobs that could be created, all the opportunities for training, all the opportunities for education. Of course, with these mining projects also comes incredible infrastructure. A lot of these projects, as you would know, are probably in more remote locations in the country. Therefore, you have to build roads. You have to build broadband. Those also come with jobs and opportunities.

The critical minerals that we have in Canada and the projects that we'll be hopefully building with some smaller junior mining companies will create incredible opportunities for many regions across the country.

**Ms. Viviane Lapointe:** Quickly, which policies or provisions within the Inflation Reduction Act do you believe could have a significant impact on Canada's economic competitiveness?

**Mr. Bryan Detchou:** I know that Canadian companies could benefit from many policies that are part of the Inflation Reduction Act and other acts that the United States government has put forward. There is, for example, the Department of Defense funding that Canadian mining companies are eligible for, and I know that there are a few that have put forward white papers and would hopefully benefit from that as well.

**The Chair:** Thank you.

Thank you, Ms. Lapointe.

We'll now go to Mr. Simard from the Bloc Québécois. You have six minutes.

[*Translation*]

**Mr. Mario Simard (Jonquière, BQ):** Thank you very much, Mr. Chair.

I'm now going to ask the witnesses, each in turn, the same question.

You probably know that this study will lead to a report and that it is always helpful to hear what witnesses have to say.

In a government clean energy plan, is it really essential to have carbon pricing mechanisms? Also, given that the gas and oil sector produces the most greenhouse gas, would you agree that standards are required to reduce carbon intensity in this sector?

Let's begin with the Canadian Chamber of Commerce witnesses, Mr. Holmes and Mr. Detchou.

**Mr. Bryan Detchou:** Thank you, honourable member.

I'd like to begin by saying that the Canadian Chamber of Commerce is in favour of carbon pricing. The only thing we would like to see is a level of certainty, because otherwise, industries won't be able to attract investments.

**Mr. Mario Simard:** Thank you very much, Mr. Detchou. I don't have a lot of time and would like brief answers.

Ms. Bruske, I'd like to ask you the same question.

[English]

**Ms. Bea Bruske:** I'm going to ask my colleague Alex Callahan, our director of environment, to give you context.

**Mr. Alex Callahan (National Director, Health, Safety and Environment, Canadian Labour Congress):** Thank you very much for the opportunity.

I think the CLC has intervened in the past on the constitutionality of carbon pricing and is supportive of it as a way to give clarity.

As far as the broader piece of the economy is concerned, I think it's important to have regulation and to have incentives to get us to where we need to be. The thing to remember in all of this is what this means for workers who are on the job, because there are opportunities in change, and we can either get those opportunities or we can miss those opportunities.

[Translation]

**Mr. Mario Simard:** Thank you, Mr. Callahan. I'm sorry, but I don't have much time.

I'll ask Mr. Arnold to answer that question now.

[English]

**Mr. Jonathan Arnold:** Thank you.

The Canadian Climate Institute has been unequivocal that carbon pricing should be the foundation of Canada's climate policy strategy, along with contracts for differences to ensure that the price rises over time specifically for the oil and gas sector. We have also been supportive of introducing a cap on oil and gas emissions to ensure they come down over time, complemented by investment tax credits as well as strong methane regulations and a climate investment taxonomy.

Thank you.

[Translation]

**Mr. Mario Simard:** Thank you.

Ms. Exner-Pirot, is that your view as well?

**Dr. Heather Exner-Pirot:** Thank you for the question.

• (1155)

[English]

I think oil and gas in Alberta is subject to carbon pricing through the Alberta TIER system. I don't hear a lot of complaints about that. I think it's an effective mechanism. I think it's all the other layers of pancaked regulation that are detrimental.

I also think the committee should consider not just clean energy and the climate but also energy security. According to S&P Global, if you impose an emissions cap, it would reduce production by 1.3 million barrels. This would be absolutely detrimental to the energy system and to global supply security, especially with what's happening with Russia and the Middle East.

[Translation]

**Mr. Mario Simard:** So you're in favour of a carbon pricing mechanism then?

[English]

**Dr. Heather Exner-Pirot:** The one that's in place I have no problem with.

[Translation]

**Mr. Mario Simard:** Thank you.

Could Mr. Wicklum and Mr. Cloutier answer briefly?

**Mr. Daniel Cloutier:** Briefly indeed, because our answer to both questions is yes.

**Mr. Mario Simard:** That's clear and concise.

Mr. Wicklum, I'll conclude by asking you that same question.

[English]

**Mr. Dan Wicklum:** The Net-Zero Advisory Body takes a look at expert advice from economists. That advice for decades has been that one of the most efficient mechanisms is a carbon price. I think there's a question about efficiency related to whether it's a public-facing carbon price or it's an industrial carbon price.

The reality is that the carbon price on the oil and gas sector is incompletely administered. There are exemptions that apply to different companies in different regions. One of the key things we would like to see is a cleanup of the exemptions so that we get full benefit from the pricing of emissions from the oil and gas sector.

[Translation]

**Mr. Mario Simard:** Thank you. So you're in favour of a carbon pricing mechanism.

My second question is for the representatives of the Canadian Chamber of Commerce.

You spoke about certainty, clarity and transparency. I believe there is consensus. All the witnesses said they agreed on the need for a carbon pricing mechanism and carbon intensity standards for oil. Now if a government were to announce that it intends to go in that direction, it might perhaps be ill-advised for the opposition parties to defend a conflicting perspective that might send the world of business an ambiguous signal that is not necessarily based on certainty. Would you agree with me on that?

[English]

**Mr. Matthew Holmes:** Thank you.

The certainty piece is very important to our members in making and sustaining the large private sector investments that are required for the energy transformation. With a carbon price in place, contracts for differences are an important mechanism that can be considered.

Another one that we're talking about is that over half the TSX is made up of energy companies and energy investment. We need to be working with these players to transition fuel mixing, sustainable aviation fuel, blue hydrogen, green hydrogen. A whole host of different investments are required. We need to move those companies to diversify and work with them and encourage them.

**The Chair:** Thank you.

We'll now go to Mr. Angus from the New Democratic Party for six minutes.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Thank you, Chair.

This is a fascinating discussion, because I see right across the political spectrum the need for certainty and the need to move beyond aspirational.

These incredible tax credits, where are they? We need to get them happening now, particularly because our biggest competitor has moved so far ahead so quickly.

Ms. Bruske, I'm going to start with you, because you represent people whose jobs are on the line.

In the very first week of his administration, Biden signed an executive order to create a committee to start looking at energy-dependent areas and how they would be part of a transition. This was the focus from the get-go. He went to COP26 and he said they were going to create good-paying union jobs. This sent a real message that this was going to be about an economic transformation.

How important is it that we move quickly, clearly, with an all-of-government approach so that workers are not left behind?

**Ms. Bea Bruske:** Thank you for that question. Workers certainly need certainty, and they are very concerned about what their futures hold. They are concerned when they see that the IRA is moving the needle ahead so much further than where we are at and other economies also following that with investments, so workers are concerned that if there are not clear directions given shortly as to how their industry and their communities are going to be impacted, they will in fact be left behind, and those good family- and community-sustaining jobs will be at risk.

We need to be able to move quickly on these issues. Workers need to be at the table to have conversations with the employers and with governments about what that transition looks like. We need to find solutions to upskilling and to reskilling. Workers know their industries and they know their employers, and they're well positioned to be part of that conversation.

If we don't start having these conversations that include workers, the risk for us as well is that we're going to have a brain drain in Canada. Those highly skilled worker we're also going to need to rely on as we transition will be looking for other pastures, and we're going to be at risk of losing those folks.

• (1200)

**Mr. Charlie Angus:** I think for much of the 2000s the overall severe regional economic problems that Canada was having were somehow masked in some ways by the incredible boom that was happening in Fort Mac. I don't know how many people from my region were on those contract planes flying in and flying out, doing twelve days in and twelve days out, but those big oil and gas construction jobs seem to be gone. Your members working in the refineries and plants will tend to be there and they will have representation, yet people who have to fly back home to Miramichi or other rural parts of Canada are just not getting the call to come back.

How important is it that we have a plan for workers in that fly-in, fly-out economy, who are not going to get representation that your unions would provide? Also, how important is it that we have regional round tables to make sure that investments are sustainable so workers who have gone back to rural regions are going to have jobs?

**Ms. Bea Bruske:** Rural and northern communities are definitely very concerned about these issues, and workers in those communities, who have traditionally travelled for work, would like to stay in their home communities. We see that all the time. They would like to return to their home communities.

The regional tables and having the regional partners at the table, whether those are regional employers or regional governments, are going to be critically important to figuring out how investments can be utilized to actually create good community- and family-sustaining jobs. It cannot just be any job and it can't be a precarious job. It has to be a family- and community-sustaining job, so you need workers at the table. You need workers' input and workers' dedication and knowledge being brought to those conversations.

**Mr. Charlie Angus:** Thank you for that.

Mr. Holmes, I just want to ask you a couple of questions in this first round.

I used to be on the board of directors of our little local chamber of commerce. We have lots of small businesses. In the summers, business goes up. We came through the brutality of COVID and lost so much, but the summer after COVID, things were great. This past summer people didn't come, and I was trying to figure out why it was. Then someone said that it's the smoke and the fires, so people are afraid to travel.

I just read the KPMG report that says 60% of small businesses were "directly impacted". A good percentage had disruptions to their supply chain. A staggering number talked about damage to their properties and the uncertainty.

Have you looked at what the climate crisis that we're facing is costing small and medium-sized businesses?

**Mr. Matthew Holmes:** Thank you, Mr. Angus, for the question. We have not, to my knowledge, costed that out.

I myself am not an economist. We do have a chief economist on staff, Dr. Stephen Tapp. It is an area that we're increasingly being called on by our membership to look at and consider the disruption to small businesses. It's also an issue that affects our trade corridors and major supply chains. If we think of floods in Nova Scotia and fires in British Columbia and across the country this year, or labour disruptions as well, there is an incredible acute bottleneck happening within our supply chain right now, and it affects all levels of business. It's quite concerning for us at the chamber.

**Mr. Charlie Angus:** We have to have an economy that is based on sustainable jobs, but also we need to be addressing this increasing pressure on our small businesses, because they can't survive. After COVID, we can't have a summer or two summers or three summers of people not coming and not travelling because they're afraid of being chased out by the smoke.

**Mr. Matthew Holmes:** Well, I think coming out of COVID, there was an incredible array of interventions and government supports for businesses, and we appreciated that. We were in regular dialogue with the government on those.

Coming out of it now, I think we need to look at what the root causes are of various elements of these disruptions. Some of those could be climate-related. Some of those will be financial. Some of those are sectors that are still living the reality of the pandemic and are still impacted, the high-service-based sectors like restaurants and tourism operators.

Rather than a blanket approach, what I would prefer to see is very targeted programming that addresses the needs of those small businesses that are most impacted.

**Mr. Charlie Angus:** Thank you.

**Mrs. Shannon Stubbs:** On a point of order, Chair, through you, if you wouldn't mind, maybe it would be helpful every once in a while to just encourage everyone to stay on the topic of this study.

**The Chair:** Okay—

• (1205)

**Mrs. Shannon Stubbs:** That's just when questioning witnesses.

Anyway, that's it.

**The Chair:** Thank you, Ms. Stubbs.

Go ahead, Mr. Angus.

**Mr. Charlie Angus:** I don't know why I keep getting all these points of order from my Conservative colleagues. I don't bother asking them what to ask, so they have no business telling me what to ask.

I'll ask what I'm going to ask. If she doesn't like it, she can run against me in Timmins—James Bay.

**Mrs. Shannon Stubbs:** I'm very happy where I am in Lakeland, but thank you.

**The Chair:** Thank you, colleagues.

I would ask everybody to focus on the study at hand and ask questions pertaining to the study at hand in the best way you think that approach should be taken.

We will now move to Mr. Patzer for five minutes.

**Mr. Jeremy Patzer (Cypress Hills—Grasslands, CPC):** Thank you, Chair.

Just quickly, to the Macdonald-Laurier Institute, could you clarify whether in your previous comments it was the Alberta TIER system that you said you preferred?

**Dr. Heather Exner-Pirot:** Yes. It's been in place, as you might know, for many years. I think industry supports broadly having carbon mechanisms. They are working very hard themselves, as you know, to reduce their emissions—

**Mr. Jeremy Patzer:** Perfect. Thank you.

I want to follow up on another point. You mentioned something about energy security as well. When we look at what is happening around the world, is there a moral case to be made for Canadian LNG around the world?

**Dr. Heather Exner-Pirot:** There's a moral and environmental and local economic case to be made for LNG. It's been made probably a hundred different ways in the last two years. Again, there's reducing emissions from the burning of coal, which is very clear; increasing the economy in B.C., western Canada and perhaps also in Newfoundland and Quebec; obviously, with lots of indigenous ownership and participation in many of these LNG projects, it's certainly opening that up; and then, obviously, it's good for Canada's economy and productivity, since the GDP per capita has been declining.

Increasing LNG—as the United States has done, as Australia has done, as Qatar has done—as Asian companies increase their LNG import capacity and as European companies increase their LNG import capacity and make decades-long contracts with Middle Eastern countries, obviously, everyone would prefer if Canada could be their supplier.

**Mr. Jeremy Patzer:** Yes. It seems like the only one who doesn't think there's a business case is the Prime Minister of Canada, obviously. These other jurisdictions....

It's obviously reliable and it's affordable, but it's also clean, right? It's clean energy.

**Dr. Heather Exner-Pirot:** It's far more clean than coal. I think everyone on this committee would know that. The important thing also is that it emits almost no black carbon, whereas obviously coal does. From a pollution perspective and from a human health perspective, in Asia, where they are increasing emissions from coal, it would be a far preferable solution.

We have to stop looking at the perfect solutions and look at good solutions. Canadian LNG is a very good solution.

**Mr. Jeremy Patzer:** Thank you very much.

With that, Chair, I am going to move the motion that I put on notice:

That, in light of multiple news outlets reporting that Qatar is housing the leadership of Hamas; and given the fact that Qatar is now the preferred choice to supply liquefied natural gas (LNG) to our G7 allies in Germany, France, and Japan; and given the fact that Qatar and Shell plc have signed a supply deal for the Netherlands, the committee recognize that there is not only a business case for Canadian LNG but a moral case as well; and that this committee report to the House its recommendation that the Liberal Government champion the export of Canadian LNG.

This is important because there was a CBC article that came out the other day highlighting this. We raised it here in committee last week. I raised it on the floor of the House of Commons in question period, and it was dismissed as being a conspiracy theory by the parliamentary secretary. The CBC article says:

On October 7, as Hamas gunmen rampaged across southern Israel, a group of middle-aged men in a luxury suite in Doha, Qatar gathered in front of a camera.

Hamas leaders...recorded themselves showing surprise about the attacks from the news on a large-screen television, and then kneeling to give thanks...[for what had happened there.]

On the one hand, they're trying to talk out of both sides of their mouth, but it doesn't change the point that Qatar is supplying the world with LNG while also housing the leadership team of Hamas.

I think it's important to show that we take this issue very seriously because this is an energy security issue, and Canada has the opportunity to play a role here. We have heard over and over that Canada has the capacity to be the global supplier for LNG, but the government has left multiple countries in the dark on this.

In fact, we had the German Chancellor come over to Canada asking for LNG, and that's the famous quote we got when the Prime Minister said that there was not a business case for it, despite the fact that Germany came specifically saying that Canada would be the best and most preferred option for LNG around the world.

After that, we had Japan come, and Japan was also asking for Canadian LNG. The Prime Minister once again declined that as well. Now we start to see how the world market is shaping up.

There are five countries, because this morning, Italy was another one to join the mix and sign a 27-year agreement with Qatar to supply their LNG. As of this morning, you have Italy. Over the weekend I think the Netherlands also signed a big agreement as well. The three that I just listed there are Japan, France—that was the fifth one that I didn't mention—and Germany.

Multiple countries came to Canada offering the business case for it. They were told that there was, in fact, not a business case, but now we're up to five countries around the world that have signed 27-year agreements with Qatar to supply them.

When you look at the future of it here, QatarEnergy will contribute 40% of all new LNG to the market by 2029. This is the same Qatar that.... I have an executive summary from a human rights report here. I'm going to read this:

Significant human rights issues included credible reports of: serious restrictions on free expression, including the existence of criminal libel laws; substantial interference with the freedom of peaceful assembly and freedom of association, including overly restrictive laws on the organization, funding, or operation of nongovernmental organizations and civil society organizations; restrictions on migrant workers' freedom of movement, access to justice, and vulnerability to abuses, including forced labor; inability of citizens to change their government peacefully in free and fair elections; serious and unreasonable restrictions on political participation, including a complete prohibition on political parties; lack of investigation and accountability for gender-based violence; existence of laws criminalizing consensual same-sex sexual conduct; and prohibitions on independent trade unions.

**Mr. Charlie Angus:** [*Inaudible—Editor*]

**Mr. Jeremy Patzer:** That's pretty damning right there, I would suggest, and I have the floor right now, Mr. Angus, so you can just wait.

● (1210)

There's another good report here that talks about—I hope I'll say this right—the Nepalese, people from the country of Nepal. I probably got that wrong.

It reads:

This summer Nepalese workers died at a rate of almost one a day in Qatar, many of them young men who had sudden heart attacks. The investigation found evidence to suggest that thousands of Nepalese, who make up the single largest group of labourers in Qatar, face exploitation and abuses that amount to modern-day slavery, as defined by the International Labour Organisation

That was from the buildup to the World Cup. There are multiple reports of abuses of human rights in that country in the buildup to it. There were many people who died in the buildup to that event, but as we look at who's providing energy for the world, it's going to be Qatar. Qatar is providing the LNG for the world, for Europe, for Asia. We have heard that LNG would be the preferred product to be able to get countries off coal. That would have a very substantive effect on reducing greenhouse gas emissions around the world, which I think is what the goal is overall, right?

**Mrs. Shannon Stubbs:** It's supposed to be.

**Mr. Jeremy Patzer:** It's supposed to be.

Right here we're talking about what Canada can do. Let's remember that Canada produces only 1.6% of global emissions, but Canadian LNG could help bring global emissions down. We hear so often that it's a global issue, that climate change knows no borders. We have the product and the solution that could be helping the world right here in our country, and we are told there is no business case.

**Mrs. Shannon Stubbs:** As well, 18 LNG proposals have been made in Canada—

**Mr. Jeremy Patzer:** Yes, there were 18 LNG proposals—

**Mrs. Shannon Stubbs:** —and not a single one is built or operating.

**Mr. Jeremy Patzer:** Not a single one has been built or is operating. There's one that might in a few years be able to put out some LNG, but there were 18 proposed, and not one of them is operational right now—

**Mrs. Shannon Stubbs:** Unbelievable.

**Mr. Jeremy Patzer:** —after eight years.

I think it's important to note we could have been in a position to be able to do this if it would have been prioritized, but it definitely wasn't.

That's why I think this motion is important. It's a way for us to signal that the natural resources committee actually does care about resource development and that we do support what the private sector can do and should be doing in this country. I think we have a golden opportunity to send a signal here together as a committee that Canada does support LNG and that there is a case for it, and the House of Commons would recognize that. I think our committee should be taking this motion seriously and be looking to pass that along.

I touched on a few very important points, such as human rights, such as the moral case that Canadian energy can and should play around the world, but also there's the business case as well. We like to talk a lot about the social programs we have here in the country. One of the best ways to fund them is through development of our natural resource sector. We definitely know the benefits the oil and gas sector has provided to this country in terms of taxation and royalties so that people are able to have these valued social programs, both on a big scale and a small scale.

On a small scale, for example, an energy company, an oil and gas company, was sponsoring an event at one of the local curling clubs so that kids could have their curling fees paid so they could enjoy and learn a new sport. That's coming from an oil and gas company. It's just a small token item, but it's an important one. If we look at our community rinks, our community buildings, our schools, our hospitals, our long-term care centres, we see that some of the major funding partners are oil and gas companies.

• (1215)

**Mrs. Shannon Stubbs:** Ninety per cent of Canadian oil and gas companies have fewer than 100 employees.

**Mr. Jeremy Patzer:** A lot of them fit the small business model. That's exactly right, and a lot of them are non-unionized as well. I think it's important to note that while there are unionized employees, there are several businesses that aren't necessarily unionized, because there is that trickle-down effect because there are all the support businesses that go alongside of it.

I mean, yes, it's important to have these good-paying union jobs that we talk about, but not everybody works for a union. In fact, there have been some communities where upwards of 90% of the jobs in the industry aren't unionized, and they're still good-paying jobs with good value.

**Mrs. Shannon Stubbs:** The biggest [*Inaudible—Editor*] of unionized jobs right now is the expansion of the energy companies—

**Mr. Jeremy Patzer:** That's exactly right.

**Mr. Charlie Angus:** I have a point of order.

**The Chair:** Go ahead, Mr. Angus, on a point of order.

**Mr. Charlie Angus:** We can't have two people speaking at the same time, so can she just stop, or are you going to give her the floor?

**Mr. Jeremy Patzer:** I have the floor.

**The Chair:** Thank you—

**Mr. Jeremy Patzer:** I have the floor, Charlie.

**Mr. Charlie Angus:** She seems to have the floor.

**Mr. Jeremy Patzer:** No, I have the floor.

**Mr. Charlie Angus:** Are you going to have two at the same time?

**Mrs. Shannon Stubbs:** Chair, if my colleague is worried about me, he'll tell me.

**The Chair:** Colleagues, I'm going to ask everybody to respect each other. The individual has the floor. Let's not have others speaking. Whether it's your colleagues or whether it's other folks from across the floor, let the member who has the floor finish their remarks so that we can give other members an opportunity to move forward.

Mr. Patzer, the floor is yours. Are you concluding or are you still continuing?

**Mr. Jeremy Patzer:** Oh no, I have lots of things here that I can keep going with. I've actually had the floor all along, in fact.

It's nice to have multiple colleagues with me around the table, though. It sure is nice. I respect all of the things my colleagues have to say and I appreciate the input that I get, but let's get back to the business case. I think that's of utmost importance. That was supposedly the biggest thing that was going to prevent Canada from being the LNG provider around the world.

As recently as May, Canada said it was in talks with two companies to possibly accelerate LNG projects there that could ship gas to Europe within a few years.



We've heard multiple people, though, talking about some of the timeline issues. We've heard that throughout this study as well. I mean, the business case is right there. There are some good numbers. I was talking about the million tonnes per annum that are going to be provided by Qatar. There's a lot going on.

I'm just trying to get the right numbers for everybody. It's right here.

...QatarEnergy's efforts to address energy security and transition towards renewables. "In Qatar, we are increasing production to 126 million tons per annum, and we have another 16–18 MPTA out of the US next year. We are doing it in the most responsible way as far as emissions are concerned with [carbon dioxide] CO<sub>2</sub> sequestration".

There's a business case being made elsewhere around the world for two very important things that we have in Saskatchewan and Alberta. That would be carbon capture as well. They're talking about using that over in Qatar. They're using it in the United States. That's part of the IRA as well.

We're looking at emissions reduction, the business case and good jobs. That's what we're looking at here.

I would appreciate the committee's support for this motion. There's clearly a moral case for this around the world.

I've laid out some of the human rights issues with Qatar. I think it would resonate with my friend Mr. Angus that people in Qatar are not allowed to be part of a union. We talked about that. "Prohibitions on independent trade unions" is the exact term from the report. We're talking about good union jobs, but also human rights workers who are being forced in there from other countries as well.

Canada has a great workforce. We have the highest standards for human rights around the world. We have a fairly robust regulatory environment, but we've heard about the pancaking of regulations too. It would be nice to be able to unpack some of that.

We have a business case. Let's get the business case. Let's get the business rolling. Then we can fix some of the regulatory issues that have come up, as we've seen with Bill C-69 being ruled largely unconstitutional as well. I think we're going to get a chance, hopefully, to address that in the near future. I think that will play a part in Canada being able to be a global LNG supplier.

There is a proposal now for a new plant in northern B.C. Tourmaline, I think, is the name of the company. They're looking to have an LNG export facility off the coast of B.C. just south of Alaska. Of course, that would be the opportunity to supply Asia with LNG.

When we look at where Japan is located—one of our allies—we see that we're the closest route to Japan. We also have the strategic advantage of our winters being a natural advantage in making LNG because of the temperatures we have. That's a strategic advantage that Qatar does not have in making the production of LNG more economic. Again, that goes to the business case that exists for LNG here in Canada.

I think I've made my point clear. I hope that I can count on my colleagues across this committee to support this motion. It sends a message that Canada has all of the things the world needs when it comes to energy production, and also human rights.

The business case exists, so I think we should get this done. Yes, there is a moral case and there's a business case. Let's do this.

• (1220)

**The Chair:** Thank you, Mr. Patzer.

Your motion is on the floor.

We have a speaking list, and the clerk has been keeping close attention on it.

We're going to go to Mr. Dreeshen, and then Monsieur Simard, Mr. Falk, Mr. Aldag and Mr. Angus.

[*Translation*]

**Mr. Mario Simard:** Excuse me, Mr. Chair, but in the interest of fairness, and without wishing to challenge your decision, I think that I had signalled to the clerk first, when my colleague Mr. Patzer had just begun to present his motion.

[*English*]

**Mrs. Shannon Stubbs:** Our view is the same as yours, Mr. Chair, which is that Mr. Dreeshen was signalled first.

**The Chair:** Thank you, Mr. Simard.

The clerk looked up and saw Mr. Dreeshen, and we have you next. We'll go to Mr. Dreeshen and then go to you.

**Mr. Ted Falk (Provencher, CPC):** I have a point of order, Mr. Chair.

I think I was actually ahead of Mr. Dreeshen. I made eye contact with both of you, and you were looking for somebody at the end of the table who wasn't there.

**The Chair:** Thank you, Mr. Falk, for your intervention, but I did not see you. These two gentlemen had their hands up quite quickly, and the clerk identified Mr. Dreeshen first—

**Mr. Ted Falk:** I put mine up as soon as you spoke.

**The Chair:** That's the ruling, from what we've determined. We'll go to Mr. Dreeshen.

**Mr. Ted Falk:** Okay, then I make a motion to challenge the chair.

**The Chair:** That's your prerogative.

**Mr. Ted Falk:** I challenge the chair because my hand was up before anybody else's hand.

**An hon. member:** Mr. Aldag had his hand up as well.

**The Chair:** Yes, we have Mr. Aldag on the list as well.

We have you a little later down the list, but thank you, Mr. Aldag, for being quick with your hand as well.

I'll ask the clerk about the process. Mr. Falk has asked to challenge the chair because he believes that he had his hand up first, so I'll ask the clerk about what we do next.

Do we go to a vote on challenging the chair?

**The Clerk of the Committee (Mr. Patrick Williams):** The question before the committee is this: Shall the chair's decision be sustained?

If you vote for the chair's decision to be sustained, it is to uphold it. If you vote against it, it is to overturn the chair's decision. That can be accomplished in the same way that any other vote is accomplished in the committee: by obvious consensus, by raising of hands, or by a recorded division.

**An hon. member:** I'd like a recorded division.

• (1225)

**The Chair:** We want a recorded division. Okay.

The question is on whether my decision that we go to Mr. Dreeshen and then to Mr. Simard is upheld. Mr. Falk has challenged that decision.

**Mr. Charlie Angus:** I'm sorry. I have a question.

I don't know if that is what we are debating. I think that Mr. Falk wanted to go ahead. That's what I was—

**The Chair:** That is correct. I apologize.

**Mr. Charlie Angus:** That it's Mr. Dreeshen and then Mr. Falk is what we need to vote on.

**The Chair:** Yes, that's correct—as opposed to Mr. Simard going after Mr. Dreeshen.

**Mr. John Aldag (Cloverdale—Langley City, Lib.):** I have a point of order.

I just want to clarify that we'll be voting to uphold your decision on the speaking order as being Mr. Dreeshen, Mr. Simard, Mr. Falk, and then Mr. Me.

**Some hon. members:** Oh, oh!

**Mr. John Aldag:** I am me.

Is that the order we're going in?

**Mr. Charlie Angus:** I have a point of order.

My understanding is that Mr. Falk challenged the chair because he isn't second, so we should keep it simple. It's that Mr. Falk goes second. That's what we're going to vote on.

**The Chair:** That's correct.

**The Clerk:** On the question of whether the chair's ruling is sustained, Mr. Aldag...?

**Mr. John Aldag:** Tell us one more time. Is it that Mr. Falk goes next, or is the order being...?

**The Chair:** The vote is that Mr. Falk challenged the chair's decision, so do you support...?

Mr. Clerk, do you want to once again provide members with clarity as to what a yes means and what a no means?

**The Clerk:** The chair's ruling was that the speaking order is Mr. Dreeshen, followed by Mr. Simard and then Mr. Falk. The chair's ruling was challenged. Now the question is this: Shall the chair's ruling of that speaking order—Mr. Dreeshen, Mr. Simard and then Mr. Falk—be overturned?

**Mr. Charlie Angus:** I'm sorry. That not what we.... I'd asked if we were voting on the fact that Mr. Falk moves ahead. That's the simple way on this. If we vote that way, I'm willing to vote, but not on the overall speaking order.

**Mr. Ted Falk:** I think that Mr. Angus's perspective and recommendation would bring a lot of clarity. The real issue is that I believe I was first on the list. The rest of the order can stay intact.

**The Chair:** My ruling is that you're not first on the list, Mr. Falk. Mr. Dreeshen was, and you were not.

**Mr. Ted Falk:** That's what I'm challenging.

**The Chair:** Mr. Falk has challenged that he was first on the list, not Mr. Dreeshen. That's what he has challenged. Just to be clear, I said that Mr. Falk was not first on the list. Mr. Dreeshen was first on the list. Mr. Falk is challenging my decision, because he wants to be first. Mr. Dreeshen, from what we've identified, is first.

It would be a yes if you support upholding the decision I made. It would be a no if you do not support my decision that's been made. I think that's clear. If not, I can ask the clerk for a further interpretation.

Is that clear? Okay.

(Ruling of the chair sustained: yeas 7; nays 4)

**The Chair:** Before we go to the speaking order, go ahead, Mr. Simard.

• (1230)

[*Translation*]

**Mr. Mario Simard:** I am also challenging your decision, because I think I raised my hand first and that it's my turn to speak.

[*English*]

**The Chair:** Mr. Simard also challenges the decision, saying he was ahead of Mr. Dreeshen.

We can put that to a vote. The clerk and I quickly look up when hands go up, and we determine the speaking order to the best of our ability.

**Mr. Charlie Angus:** Can we clarify, then?

**The Chair:** Yes.

**Mr. Charlie Angus:** Mr. Simard is challenging because he said he was next in line, but you didn't see him. If he was next in line, and we vote that he's next in line, the floor would go to him.

**The Chair: The Chair:** That's correct.

**Mr. Charlie Angus:** Okay, that sounds very reasonable to me.

**The Chair:** Well, hold on—

[*Translation*]

**Mr. Mario Simard:** To be perfectly clear, I raised my hand before Mr. Dreeshen. As soon as my colleague began to speak, I raised my hand. So I am challenging your decision, because I think I should be speaking before Mr. Dreeshen.

[*English*]

**The Chair:** Thank you, Mr. Simard.

The ruling was made with the previous vote that this is the established speaking order, but you could ask to be heard now. If it's the will of the committee that you be heard now, we will proceed to your being heard now.

The ruling stands with the previous vote that—

[*Translation*]

**Mr. Mario Simard:** Let's do that.

[*English*]

**Mr. Jeremy Patzer:** I have a point of order.

I want to clarify whether that would have to be unanimous or whether it's a vote of the majority. I would suggest that it is not the will of the committee, but I want to clarify that.

**The Chair:** I'm going to answer Mr. Patzer's question first.

It's a non-debatable motion. It goes to a vote by the committee and it's by majority.

**Mr. Charlie Angus:** These are non-debatable motions. Is that right?

**The Chair:** Yes. This motion is not debatable, but we have a point of order.

**Mr. Earl Dreeshen:** The point of order I have is that at any moment, someone can challenge the order that you or the clerk has determined for the speaking arrangements for a motion, and then at that time, you are suggesting that we would be able to continue with—

[*Translation*]

**Mr. Mario Simard:** That's what we're debating.

[*English*]

**Mrs. Shannon Stubbs:** Earlier, you guys were telling me to let someone speak. Let him speak.

**Mr. Earl Dreeshen:** If that is the case—

**An hon. member:** It's non-debatable.

**An hon. member:** He's not debating.

**Mr. Earl Dreeshen:** —it is a point of order. Therefore, at any time, the will of the majority can take away the person you would recognize as being the first up on the motion. That, Chair, affects your ability to manage this committee.

**The Chair:** Yes. However, Mr. Dreeshen, committee members have the right to be heard and can, in my understanding, ask for that right as a committee member by taking the floor, as Monsieur Simard did. He has every right to ask for that right as a member of this committee, and it's his choice to do so. It's your choice and others' choice as well.

Mr. Angus, did you have a point of order?

• (1235)

**Mr. Charlie Angus:** I'm ready. No, I think we need to vote, because I think what points of order are moving into is stalling. That undermines the principle of non-debatable motions, so we should be voting.

**The Chair:** We cannot entertain—

**Mrs. Shannon Stubbs:** I know Charlie runs the committee, but I think the chair can get the advice from the clerk.

**The Chair:** Are we set?

Go ahead, Mr. Falk.

**Mr. Ted Falk:** I think this committee has already determined whether or not it wanted to challenge your ruling on the speaking order. The people now raising that issue.... The issue wasn't whether I was going first, but whether we were challenging your ruling as to what the speaking order is.

**The Chair:** What is your point of order? We're getting into debate now.

**Mr. Ted Falk:** My point of order is that we've already made that decision, and this member from the Bloc agreed with your decision, so there's no point challenging it any more.

**The Chair:** We're getting into debate, though.

**Mr. Ted Falk:** No. It's procedure. This is a point of order.

The motion is challenging your ruling—

**The Chair:** Okay. I have a point of order to the point of order—

**Mr. Ted Falk:** I'm on a point of order.

**The Chair:** I know. We have another point of order.

**An hon. member:** We'll finish the first one, won't we?

**The Chair:** I'll ask everybody to calm down a bit. We'll go one at a time. We can be disruptive or we can go through the process.

Mr. Aldag has a point of order on the point of order.

**Mr. John Aldag:** Can we get a ruling on whether Mr. Simard's challenge is in order? It seems like we're going around on this—

**The Chair:** That's not a point of order to the point of order.

**Mr. John Aldag:** It's asking for clarification.

**An hon. member:** That's what Ted's doing.

**Mr. Ted Falk:** The point of order is—

**The Chair:** I'll ask everybody to hold on for just a second. I'm going to talk to the clerk.

Once again, the member asked to be heard. That's Monsieur Simard. We previously voted to have the speaking order. The committee voted to proceed with that, and then Monsieur Simard asked to be heard.

I'm not sure what's unclear from a procedural standpoint, but he has the floor for a motion to be heard. If he wishes to choose that way, that's where we are.

You had a point of order on procedure. Is there—

**Mr. Ted Falk:** No. My point of order is not on procedure.

We already had a motion here to challenge the chair. That motion was defeated. The motion was whether we were going to uphold your ruling on the speaking order. The majority of the committee decided to uphold your ruling.

**The Chair:** Yes.

**Mr. Ted Falk:** There's no need, then, to have further discussion on who speaks next, because the committee has already made that decision. This request is out of order.

**The Chair:** Mr. Falk, it's not—

**Mr. Ted Falk:** It absolutely is.

**The Chair:** As the chair of the committee, I've spoken with the clerk. Procedurally, every member has the right to be heard and to bring forward a motion to the floor to be heard.

Mr. Simard is in his rights, as a committee member, to be heard if he chooses to be heard. He put the motion on the floor. He has every right to that in this committee. He has that ability, just as everybody else does. He had the floor. He asked to be heard. If he wants to proceed in that challenge to the chair to be heard, he has the right to do so.

That's my ruling as chair, based on parliamentary procedure.

**An hon. member:** So now we vote.

**The Chair:** We proceed to a vote.

**An hon. member:** It's non-debatable.

**The Chair:** It's non-debatable. We will proceed....

Do you have a point of order?

**Mr. Earl Dreeshen:** I do have a point of order.

**The Chair:** Can you stick to the procedural point, please? There's no debate.

**Mr. Earl Dreeshen:** That's right.

To the clerk, is the motion to be heard that was just presented by Mr. Simard debatable or not debatable? Because I am prepared to debate that, if—

• (1240)

**The Chair:** It's not debatable.

**An hon. member:** He's asking the clerk.

**Mr. Earl Dreeshen:** If the clerk has indicated to you that this is the case—

**The Chair:** It's non-debatable. The clerk has indicated to me that it's non-debatable.

**Mr. Earl Dreeshen:** Then when anyone is speaking, we can move a motion to be heard at any time.

That's all I wanted to know. I just wanted to know how this committee was going to be run in the future.

**The Chair:** Procedurally, it is non-debatable. You raised a point of order. I think we've addressed your point of order.

**Mr. Earl Dreeshen:** Okay.

**The Chair:** We'll now proceed to the question at hand. Monsieur Simard would like to be heard as the next speaker.

I will leave it up to the committee to vote that way. We'll proceed to a recorded vote.

**Mrs. Shannon Stubbs:** Maybe, just given the confusion earlier on the other side, you could clarify the question again. There was a lot of talking.

**The Chair:** I think everybody is clear.

Just to make sure that everybody is clear once and for all, Monsieur Simard has asked to be heard by committee members. We will be voting to allow Monsieur Simard to be heard. If you'll—

**Mrs. Shannon Stubbs:** Hopefully, your colleagues are picking up what you're putting down, Chair, which you coordinated with the NDP.

**The Chair:** Excuse me, colleagues.

As the chair—let me finish—the vote is that Monsieur Simard wants to be heard next. If you vote “yes”, and the majority of committee decides, Monsieur Simard will be next to be heard.

We'll proceed to a roll call vote.

(Motion negated: nays 8; yeas 2)

**Mrs. Shannon Stubbs:** Your coalition partners didn't pick up the hint, but you guys tried. Stay anti-energy, stay—

**The Chair:** Colleagues, next on the speaking order—

**Mr. Charlie Angus:** Shannon, grow up sometime, do you think?

**Mrs. Shannon Stubbs:** Thanks for telling me to grow up, Charlie.

**The Chair:** —we'll go to Mr. Dreeshen.

Once again, colleagues, I'll ask everybody to allow our committee members to speak when it's their turn and to not speak over each other. It does get difficult for the interpreters when we are speaking over each other.

Mr. Dreeshen, the floor is yours.

**Mr. Earl Dreeshen:** Thank you very much, Mr. Chair, and thank you to the committee members for allowing me this opportunity to speak to this motion.

One of the key things I want to mention is what is happening in Europe and the reasons that the decision by the Canadian government to not put its full force behind our liquid natural gas resources is so critical.

A summer ago, I was in Birmingham, England, with the OSCE, the Organization for Security and Co-operation in Europe. We had an opportunity to speak with political people from all over Europe, Canada and the United States. What that organization does.... We spoke about food security, energy security, and certainly, in that case, what was taking place in Ukraine.

We know what the political leadership always says we're doing, which is that we want to make sure we're going as green as fast as we possibly can. We want to hit net zero. We're going to do all of those sorts of things. The only problem is that this isn't the reality on the ground. That was made completely obvious.

One of the motions that Canada put forth was on transition. It suggested that we make changes so that oil and gas development in Canada is minimized. I felt that was going completely in the wrong direction and against some of the people who have spoken here today. They're talking about whether or not we are producing our hydrocarbons in an environmentally friendly way, and of course it's obvious that we are. We know that as far as oil and gas is concerned, we are at 6% or 8%, I believe, lower emissions per unit of energy now than we were a number of years ago. We know that as far as methane is concerned, there have been massive improvements and that we are leading in the world. I think that's a critical part of it.

That becomes one of the issues we need to keep in mind. Yes, political leadership has already bought in. They have their signatures at the bottom of certain environmental agreements, so they are going to continue, as we do, to suggest it's the only way to go. However, that's not how business sees it.

Here's one of the situations that occurred. Because Germany can't get the supply of gas it needs from Russia, it is looking at different ways of getting energy. It is ramping up—

• (1245)

**Mr. Charlie Angus:** I have a point of order.

**The Chair:** Yes, go ahead, Mr. Angus.

**Mr. Charlie Angus:** Thank you.

I would like to take this time to apologize to our witnesses. Whenever we discuss clean energy—

**Mr. Earl Dreeshen:** That's not a point of order.

**Mr. Charlie Angus:** —or whenever we discuss labour and every time we have a labour union here, the Conservatives interfere and interrupt.

**An hon. member:** It isn't a point of order.

**Mr. Charlie Angus:** Therefore, I would like to apologize to those who bring their time—

**An hon. member:** You don't have the floor, Charlie. Come on.

**The Chair:** Mr. Angus, do you have a point of order on procedure? We are getting into debate. If it's on the—

**Mr. Charlie Angus:** Well, it's not a debate, but I sincerely apologize for having—

**An hon. member:** You are getting into debate, Charlie. Come on.

**Mr. Charlie Angus:** —wasted your time coming to a gong show like this.

**An hon. member:** You know better than that.

**Mr. Charlie Angus:** On behalf of the New Democrats, I'm deeply sorry.

**The Chair:** Mr. Angus.... Well, you wrapped up, so no more—

**Mr. Charlie Angus:** I'm done.

**The Chair:** Okay.

**Mr. Earl Dreeshen:** To his point of order, then—

**The Chair:** You have the floor.

**Mr. Earl Dreeshen:** To the comment that was just made—

**The Chair:** The floor is yours. You can speak while you have the floor.

**Mr. Earl Dreeshen:** I want to speak to the point of order. Then I'll come back to my—

**The Chair:** The point of order is not debatable.

If you have a point of order on a procedure—

**Mr. Earl Dreeshen:** Okay, I will go that way.

**The Chair:** Okay.

**Mr. Earl Dreeshen:** The point is that I'll probably be interrupted; nevertheless, as far as the comment that Mr. Angus just made is concerned, to everyone here, there are lots of times when drive-by smears are presented by Mr. Angus that have to do with our energy and with different things that are done. Now knowing the precedent that you simply stand up on a point of order to say that a member is being unreasonable, I suppose that if that's what we need to do every time a comment like that is made, then we could do that.

That isn't the way that I am. I want to talk about the issues that are here, but to be interrupted.... I really care about the members, and I'm so happy that we were able to get the witness testimony here so that we have a chance.... We can talk to them and we have talked to them and we can get them to give commentary to the clerk to expand upon some of those things. Yes, it makes it more complicated for us, because we don't get a chance to ask questions; nevertheless, it is important that we have heard their testimony, and we have been respectful in all ways when it comes to that. I'm pleased with that.

To get back to where I was when discussing the Germans and the reality on the ground, when they were talking about how they were going to have to get back into coal production because they could not get the natural gas coming from Russia, and when the other countries as well were talking about changes that were necessary because they could not get the natural gas that they were getting before, we had a chance to be there. No, we wouldn't be able to get there in the next few years, but at least we could have made that effort and we could have given some certainty to them that Canada, which has the best oil and gas production record in the world, would be there. That is something that they appreciated.

I've seen this in the last number of years, and of course the discussion here is if a carbon tax is the best way to do.... We've heard from some of our witnesses. The U.S. isn't in that. We're making comparisons, and we're trying to ask if Canada has an opportunity to sell around the world.

We've heard testimony about how Biden, in his first week, decided that he wanted to push environmental issues. The first environmental thing that he did was cancel Keystone XL. Cancelling Keystone XL meant that instead of being able to take our heavy oil down into either Chicago or to the gulf coast so that we could produce the diesel that comes from that heavy oil and make sure that market was strong, we now find that they're going to Venezuela.

These are the kinds of things that happen when you have short-sighted environmental goals. That is the issue that we really have here: those short-sighted environmental goals.

We are losing opportunities. All of these countries have come to us and said, "We want your product, but we want to see that you're on side with industry", and all we ever say is, "No, that's not really necessary." I'm just dealing with some of the things we've looked at even today, such as the idea that clean electricity is going to be our greatest asset.

I live in central Alberta. It's freezing up right now. There were 15 centimetres of snow this morning. It will be -15°C or -20°C in the next couple of days, so freeze-up is there.

When we ask our local vehicle dealerships how their electrical vehicle sales are going, they laugh. They say, "That is not what we can do here. This is absolutely crazy". I can go through a myriad of issues they have had because we can't produce the natural resources that we require. We've had testimony this morning about critical minerals and about how we will need six times more than what we're producing by 2040, and 20 times more lithium and that sort of thing, yet we still stand up and say, "We will make sure that we will have our electric vehicles and we will have this grid."

• (1250)

Exactly how are we going to get that grid, unless we do as we have done, sadly, for too many years, and that is to bring in the products that are built in countries that don't care about the environment and buy them. Either that is the situation we have, or the new ones that are going to be mined are going to be mined in places outside of Canada, because as was mentioned here, it takes 16 years for a mine to become operational, if we're lucky. No matter that we have these great goals; how are we ever going to do that? That becomes part of the energy mix that the world wants. It wants us to be able to produce energy, and people are so short-sighted that they indicate, "Oh well, we can just get rid of oil and gas", as if that's going to happen in the rest of the world.

Well, what are the other products? Just go through the whole list of products because of hydrocarbons and the relationships that exist. It is so short-sighted to simply say, "Oh, but we believe because our government put its signature on the bottom of this declaration that we must continue and follow through." Is no one paying any attention to the relationships that exist?

I've said it before and I'll say it again. We had the discussion when the folks from ATCO were here. I asked, "How much money has been put aside for the reclamation for your solar panels and your windmills that you have in operation right now?" Within six miles of my home, there are 53 windmills that have been there probably 15 to 20 years. Eventually they will have to be reclaimed, or things will have to happen to them. They get built by hydrocarbons. That's how they get built.

People say, "We will have windmills, but we want to get rid of hydrocarbons." It is illogical for people to say that, but they continue to say it. They continue to get applause around here, because that's the new way of the world.

The same thing happened with the arguments that looked at other renewables. In Alberta we have quarter sections of land, pieces that are half a mile by half a mile, and for dozens of them at a time people are saying, "Well, let's put solar panels on these things." Does anyone understand what is required for that? You need to have a steel grid structure in order to have erect these things. You then have to have some way of transferring the power from every one of those solar panels into a main grid, and then move it into the main collection area. Does it not take energy to make that happen?

Usually what happens is that some proponent builds it and then sells it to somebody else. This why the farmers' advocate in Alberta was telling a group of farmers, "You be very careful about anything you sign with these companies", because it is not like oil and gas. If there's an oil well or whatever, or some system in there, we have a system whereby we can regulate it and we know what is going to happen. We don't have that assurance when it comes to the renewables, which is the reason.... Of course, Albertans were slammed by that as well, because now they want a moratorium on renewables in Alberta. Isn't that awful? No, it's responsible. It's responsible to take a look at exactly what is taking place in the system, and unless you've got ways of assuring landowners that it is being done right, then the other argument is all politics. It is all those types of things.

The other aspect is the relationship of the energy return on the energy involved to produce something. I have been saying for a long time that we have to measure everything from the first shovel we use to dig it up to the last shovel we use to cover it up. If you take solar, if you take windmills, if you take oil and gas, and if you were brave enough to talk about that for the areas that we flooded so that we got hydroelectric power.... There is no one brave enough to talk about the effects of dams, and so on.

• (1255)

If you were to take all of that together and then ask what is best in this community and what is best in another community, I think you'd start to recognize how significant our environment is, but also how diverse. It takes six hours to fly from one end of this country to the other, through six different time zones, and yet people within 100 miles of the 49th parallel and below think they understand how our country works and make decisions on it. That is very frustrating.

Then we talk about the relationships with our indigenous people. Well, I'm sure they would love to have.... They might be lower-paying jobs, but I'm sure they would love to have these good union jobs. They've got great jobs right now in oil and gas, and they've got massive billions of dollars in investment, and this is where their strengths are. That's where they lie, but here we have built in an eco-colonialism that is saying, "We know best. Don't worry, folks. We here in Ottawa, and those of us who hug the 49th here, know exactly how best you should manage your lives."

These are the issues that I believe we have to make sure we bring out so that people know exactly what is taking place. When we talk about our liquefied natural gas—

**The Chair:** I'm sorry, Mr. Dreeshen. We are running at the end of our time for our committee—

**Mr. Earl Dreeshen:** I'm prepared to start up again next day if that's fine.

**The Chair:** Colleagues, we are at the end of the meeting.

First of all, I want to thank the witnesses so much for providing testimony today. You can provide a brief to the clerk if there's something you may have missed or if you have further information that would benefit this study. Please feel free to provide a brief to the clerk. Thank you so much for attending.

Colleagues, I want to highlight that on Wednesday we have in our first hour a panel on this study on clean energy. We will be reserving the second hour for committee business because our committee has a number of important bills. One is coming our way and another one is being voted on today. We do have to establish a committee business plan moving forward. That will be the second hour of our meeting on Wednesday. I hope everybody is well prepared to have a robust discussion on committee business moving forward.

Now is it the will of the committee to adjourn? I have a yes—

• (1300)

**Mr. Ted Falk:** On a point of order, are you suspending?

**The Chair:** We're adjourning. The meeting is adjourned.

---







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

---

### SPEAKER'S PERMISSION

---

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

---

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

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

---

### PERMISSION DU PRÉSIDENT

---

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

---

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :  
<https://www.noscommunes.ca>