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● (1105)

[*English*]

The Chair (Mr. Joël Lightbound (Louis-Hébert, Lib.)): I call this meeting to order.

Welcome, everyone. It's good to see everyone after constituency week.

Welcome to meeting number 38 of the House of Commons Standing Committee on Industry and Technology.

Pursuant to the order of reference of Wednesday, June 1, 2022, the committee is meeting to study Bill C-235, an act respecting the building of a green economy in the Prairies.

Today's meeting is taking place in a hybrid format pursuant to the House order of Thursday, June 23, 2022.

For this first hour of committee, we have the honour of having Madame Bronwyn Eyre, Minister of Justice and Attorney General for the Government of Saskatchewan. Welcome, Madame Eyre. It's a pleasure to have you.

Without further ado, I'll cede the floor to you for five minutes, more or less.

Hon. Bronwyn Eyre (Minister of Justice and Attorney General, Government of Saskatchewan): Thank you very much, Mr. Chair.

[*Translation*]

Hello. It is a great pleasure to be here with you, this morning, virtually.

[*English*]

Thank you, committee members, for having me today, and to MP Michael Kram. Thank you for the invitation to appear before the committee.

Mr. Kram, you are right to pay attention to this proposed bill and what it represents. It really isn't quite clear where it fits in and what gap it's supposed to be filling. It's frankly hard to keep track.

I'm going to start with its name, which is what really jumped out at me initially—an act respecting the building of a green economy in the Prairies—except that, of course, no one bothered to ask the Prairies, and of course we're already building a green economy, as are our sector partners.

By NRCan's own figures, emissions from the Canadian oil and gas sector have been more or less flat for over two decades. If every oil- and gas-producing nation on the planet extracted and produced oil and gas the way we do in Canada—the way we do in western Canada—energy-produced GHGs globally would instantly fall by 25%. That's according to Dr. Joule Bergerson at the University of Calgary. She was looking particularly at the strides we've made in methane reduction.

This bill would require federal ministers “to develop a framework for...the implementation of federal programs”, which to us in Saskatchewan sounds pretty top-down, pretty definitive language, and what we call here “assertive federalism”. It really goes to another deeper tendency on display from this government, which we see again and again, which is to veer into sections 92 and 92A and the exclusive jurisdiction that provinces have over property and civil rights and over natural resources.

Whether it's this or the federal regional tables on critical minerals or the federal low carbon economy leadership fund, they're always saying, “There's nothing to see here.” They're just integrating or prioritizing or fostering whatever it is into what are provincial areas such as forestry, such as energy; or they're retraining, or they're establishing programs or preparing infrastructure projects, but the thing is that all of these, committee members, come with strings attached for the provinces, and right now we have some pretty big strings.

If we take, for example, the coming federal fuel standard, you could say it's just a bit of ethanol conversion, but the reality is it will result in the import of billions of dollars per year of mainly American-produced biofuels. We're going as fast as we can with infrastructure, but that is still the reality. It will result in millions in new cost increases in Saskatchewan—on gas, $300 million, and on diesel, $400 million—which will impact residents and sectors that rely on these fuels as a production input or to transport products to market, particularly in the agriculture, rail and trucking sectors. That is the economic reality.

On the federal clean electricity regulations, again one could say that's just about integrating more clean power and clean energy, except that it's also about banning any power generated by fossil fuels by 2035. The way those regulations are envisaged right now equals Saskatchewan freezing in the dark. It is literally impossible—and this is SaskPower saying this—to transition that quickly.

Our premier released a white paper last week that put a dollar figure generated by the Ministry of Finance on federal initiatives to our economy, and that dollar figure is $111 billion. All these initiatives are not free, and the types of initiatives now envisaged by Bill C-235 are paid for by federal taxpayers, and there's an enormous economic impact.

● (1110)

The reason Saskatchewan is weathering the challenging economic time as well as we are is that we've invested in and fostered our natural resource sector, our forestry sector and our agriculture sector. Because we've been energy self-sufficient—unlike Germany, for example, as we're seeing—we can balance our budget because of resource revenues.

On the speed of transition, TD came out with a report a couple of years ago that said a green transition that is carried out too glibly, too quickly and too politically will impact some 450,000 Canadians, and 450,000 Canadians could lose their jobs. This bill doesn't talk about that. It also doesn't talk about the eye-popping cost of transitioning to an export-based hydrogen market, which is what the federal government is proposing, or green hydrogen, or geothermal.

On Friday, Deputy Prime Minister Freeland talked about how now LNG apparently is a transition fuel. Of course, it's a shame that we didn't think of that sooner, before Bill C-69 helped to shut down the Saguenay LNG project and Warren Buffet's Berkshire Hathaway group walked away from that project.

Of course, most recently, we also saw Germany walk away. Foreign investment has dropped at least 25% in Canada over the last five years, and yet apparently we're on this great cusp of innovation and investment. The Deputy Prime Minister said that the green transition is on the scale of the Industrial Revolution. Say what you will about the Industrial Revolution, it did lead people out of poverty. It modernized. It didn't antiquate. It didn't go backwards, shutting off the lights or diminishing choice or increasing costs.

There's green innovation happening in the energy sector, of course, but unfortunately those who hate the energy sector are wilfully blind to that innovation, so when it comes to the federal support that has been trial-ballooned in this proposed bill and in so many others, we're left with only the costliest experiments out there, and we're left pretending that there will be no effect on workers, which isn't transition at all.

I'll leave it there.

Thank you very much, Mr. Chair. I'm certainly happy to move into questions.

[*Translation*]

The Chair: Thank you for taking the time to appear before the committee. We are very grateful to you. We will now begin the discussion.

Mr. Kram, you have the floor for six minutes.

[*English*]

Mr. Michael Kram (Regina—Wascana, CPC): Thank you very much, Mr. Chair.

Minister Eyre, it's good to have you here in Ottawa, if only virtually.

When this bill was being debated in the House of Commons and whenever this issue comes up in question period, what we've often heard and often hear from some of the other parties is about the need to “end fossil fuel subsidies”. We've heard this catchphrase so often that the casual observer could be forgiven for thinking that a government such as yours must be on the verge of bankruptcy because of all these fossil fuel subsidies that you're apparently lavishing on every oil and gas company you can find.

I was wondering if you could you set the record straight about the effects of oil and gas companies and the oil and gas sector on the budget of the Government of Saskatchewan.

Hon. Bronwyn Eyre: Obviously—and I referenced this in my remarks—we can balance our budget in large measure because of the upswing that we're now seeing in resource prices. It's not only in oil and gas, of course, but in uranium and potash. We really are poised here in Saskatchewan to be a critical minerals powerhouse.

We have been on the downside in terms of resource revenue and royalty generation when things weren't so good. We've been very diligent about making the investments that we have in diversifying the economy. We've seen that happen with our enormous development in the helium sector, for example, or lithium. I call it a beautiful irony that lithium here in Saskatchewan is being extracted from oil well brine. We are using something from that sector to power the electric vehicles of the future.

There are amazing synergies. There are amazing synergies as well, of course, in helium. I was in Houston before Christmas speaking to investors who didn't realize that Saskatchewan had done the work for as long as we have around royalty regimes and in other areas to foster and develop helium.

We are doing everything we can around the clock, both in the downward times and in the upward times, to diversify and build on our strengths. I think that's the most important thing. We have incentives on the books in Saskatchewan that follow private investment—they don't lead private investment—in helium, for example, and in lithium, and foster research in new-to-Saskatchewan innovative areas.

Again, these are around transfer credits for royalties in the province. It's a very efficient method for fostering new investment in new areas such as infrastructure, for example. North American Helium's new facility near Battle Creek, Saskatchewan, benefited from our oil and gas investment processing incentive. We've done everything we can to build on what we have. It all adds into the mix in the end for Saskatchewan's bottom line.

To call everything a subsidy, when it is building on strengths in existing sectors.... We simply can't turn our backs on the traditional sectors in this province and on the 30,000 workers who benefit from the oil and gas sector in this province and who often have amazingly transferable skills into things such as helium. Calling everything a subsidy and turning our back on that would be blind to our economic potential in Saskatchewan.

● (1115)

Mr. Michael Kram: Minister Eyre, I actually used to work in the provincial ministry of natural resources back when it was called the Ministry of the Economy, and I recall that in order for an oil and gas company to even get started, they had to bid on the oil and gas drilling rights. I understand that brought in about $5 million in revenue just a couple of weeks ago for the government. Then there are royalties for every barrel of oil that's extracted from the ground. Then there is, of course, the income tax the company has to pay.

If you add up all of that, how much is the oil and gas sector worth in a typical year to the budget of the Government of Saskatchewan?

Hon. Bronwyn Eyre: Depending on the year, it has been in the hundreds of millions of dollars, which impacts everything—schools, social services, highways and hospitals. It has an enormous impact. When you add in all resource revenues across the board—potash, uranium and the rest—that is what drives our province. They are our major economic builders.

We have made announcements in recent years also around forestry. That has been incredibly on the upswing in the province as well.

Again, with an attempt to build on strengths, diversify based on what we have and what we can be, there's an enormous dollar impact.

Mr. Michael Kram: Okay, Minister. Thank you so much for sharing your thoughts with us today.

I look forward to more questions and answers throughout the morning.

[*Translation*]

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

I now give the floor to Mr. Erskine-Smith.

[*English*]

Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.): Thanks, Joël.

Thanks, Minister, for joining us today. I really appreciate it.

You listed a number of federal programs that are all in some way trying to address emissions and reduce emissions and address climate change, but I think you were emphasizing the frustrations the provincial government has with respect to whether it's federal action in what you deem to be provincial jurisdiction or just a lack of proper engagement with provincial authorities. Would you agree that when the federal government is pursuing the implementation of its federal programs, there ought to be more local co-operation and engagement in that implementation? Do you think that's right?

Hon. Bronwyn Eyre: I do absolutely, and I would highlight that in, for example, the area in the southeast that is transitioning off coal. Obviously there are very strict mandates now on that transition. There's a huge impact on those communities, and they haven't been consulted at all. It's a very poignant microcosm of how there's glib talk about how workers will simply transition to a green economy and jobs will be found for them where they are being transitioned out of traditional sectors such as that when in fact that isn't happening.

We've done a lot in Saskatchewan to try to support those areas and support those workers, and we have attempted to backfill and fund whatever we can to help them to develop and diversify into new areas, but the consultations that were said to be held were with the more urban areas in the southeast, in the municipalities in the southeast and not with the rural areas, and that's public knowledge.

They have written letters. They've asked for meetings—

● (1120)

Mr. Nathaniel Erskine-Smith: Understood.

Hon. Bronwyn Eyre: —with federal ministers to try to truly be consulted, but that has not happened.

Mr. Nathaniel Erskine-Smith: To lead into that conversation around consultation, do you think there ought to be an obligation on the federal government and on the minister responsible for the federal programs that you're referencing to consult with provincial government representatives in areas like transportation, environment, employment with indigenous governing bodies, and especially—you mentioned the companies that are ultimately creating jobs in this space—and to engage with the private sector and employers and employees in that sector? Do you think that kind of consultation ought to be mandatory for the government?

Hon. Bronwyn Eyre: Well, at the very least, it ought to be an honourable one. I think where you have, as I say, communities in which mortgages are plummeting, where there's an incredible sense of helplessness, those people in the southeast who are experiencing transition in real time will tell you that it is not just a matter of telling them to go out to work in the green economy—

Mr. Nathaniel Erskine-Smith: Yes, sure.

Hon. Bronwyn Eyre: —so by all means, I believe that is part of being an honourable partner within the federation, and absolutely there has to be more than just words about consultation; it has to be truly carried out. The area around Coronach and the southeast is a living example of that.

Mr. Nathaniel Erskine-Smith: I appreciate that.

What I really appreciate are your comments around ensuring that we are not glib about this and that the serious work is put in instead. I take the point that there is serious and positive economic activity that will continue in the near term, no question, and I think certainly in the medium term. What I worry about, though, and what I appreciate about Jim Carr's effort here is looking ahead and saying that this is not going to be forever in terms of its positive impact on the economy in the same way. There is going to be an energy transition with or without us, and let's make sure we benefit as much as possible. Let's make sure we're creating as many jobs as possible in the course of that transition and try to focus the government's attention on the positive benefits of a transition for the Prairies, recognizing that there will be challenges for the Prairies with respect to fossil fuel development in the long term, certainly.

I guess what I want to emphasize to you and what I would encourage—and you can follow up in writing, by the way—is that I read this bill not as sort of a top-down exercise but instead.... Section 3 says “The Minister must...develop a framework to coordinate local cooperation and engagement in the implementation of federal programs”. That's saying to the federal government that you have to do the work locally to make sure the federal programs are successful. There's a mandatory obligation in subclause 3(2) on consultation, which says that as you go about developing the framework, you have to put the work in on consultation.

If there are particular sections or particular missing pieces that you think ought to be in here, you can follow up now, but you can follow up in writing too. I would appreciate it, because if the government's going to pursue federal programs, let's make sure there's coordination and co-operation at a local level and force the government to do that work as they implement federal programs.

Hon. Bronwyn Eyre: I would say that this is easier said than done. Consultation means one thing to one person and something different to another. I would say to ask the people in Coronach whether they were consulted.

Mr. Nathaniel Erskine-Smith: It's a fair point.

Hon. Bronwyn Eyre: I also think one has to be aware of.... We often talk about the Paris Agreement. We talk about mandates to meet things. How do the people in Coronach feel when they're being mandated off coal and Germany's ramping it up? There is an enormous amount of cynicism that cannot be underestimated for the people on the ground who are, as I say, living this top-down transition in real time. When they look around the world and they see that we are clean producers in Canada of potash, of oil and gas, and we have the greenest helium—

● (1125)

Mr. Nathaniel Erskine-Smith: I hear you.

I'm out of time.

Hon. Bronwyn Eyre: They see that and they are deeply cynical. I guess I would say that if you're going to propose a bill like this that actually talks about building a green economy on the Prairies without asking the Prairies, perhaps you should start with that consultation. To a certain extent here in Saskatchewan, we see so many of these programs. They always talk about consultation.

With respect to the clean electricity regulations, as I said—and SaskPower has said it—we cannot transition off fossil fuel-generated power by 2035. It's literally impossible.

Mr. Nathaniel Erskine-Smith: Ms. Eyre, I'm out of time.

I appreciate everything you said. One final thing I want to leave you with is just to look at the way we eat. The way we eat is changing over time. Saskatchewan has done, I think, an incredible job in being profitable on the one hand in a traditional economy in terms of agriculture, but then in terms of the future of food and the way pulses are going to contribute to the future of food, Saskatchewan is leading the world in looking at the opportunity there as well.

What I see this bill doing is asking how we can do both. As we look to the future, how do we make sure that Saskatchewan, Alberta—the prairie provinces—are benefiting the most? I think you're already doing incredible work in many ways, but it's just to ensure there's a federal focus on this as well.

I appreciate the time.

[*Translation*]

The Chair: Thank you, Mr. Erskine-Smith.

Mr. Lemire, you have the floor.

Mr. Sébastien Lemire (Abitibi—Témiscamingue, BQ): Thank you, Mr. Chair.

Madam Minister, thank you for being here today.

In your opening remarks, you mentioned that the GNL Québec project was important to you. However, Mr. Buffet has backed out of funding it, which has been an obstacle. In addition, you are aware that the Quebec government's Bureau d'audiences publiques sur l'environnement has rejected the GNL Québec project.

How did you react to this news? Also, in a project as momentous as this one, don't you think provincial sovereignty is important?

Hon. Bronwyn Eyre: We were disappointed.

Mr. Buffet's decision played a role, as did Quebec, and I understand that reality. Many people were in favour of it, as you know, but it was Quebec's decision. The passage of Bill 59 also had an impact.

[*English*]

I understand, of course, that this was a joint result. As I say, I'm disappointed. I think it was a disappointment, really, and unfortunate for the country in terms of the role that we could have played in LNG for an ally such as Germany. As we know, Germany came asking for LNG and for help and has now approached other countries for that same help. That's unfortunate.

I found it noteworthy that the Deputy Prime Minister, on Friday, talked about LNG as a “transition fuel” now. I think that's being realistic but a little late when you talk about Saguenay and some of the other projects that we could have offered the world. As we know, GHGs fell radically and have fallen radically compared to other countries—the United States, for example—because of the use of LNG.

I think we have to look at these things when we're talking about transition. We need transition fuels by all means, but let us not be so severe in that transition that we don't look at real possibilities around transition. I would say that in Saskatchewan one of the things....

I mean, we all are concerned, of course, about targets and the rest. One thing I did want to mention to that end is enhanced oil recovery. We know that those who don't like oil don't like enhanced oil recovery, and we know that the federal tax credit doesn't apply to enhanced oil recovery. I think, though, that when we're talking about transitions and targets and the rest, if you look at EOR, for example, in which we're world leaders in Saskatchewan, and its synergies with carbon capture and storage, leading environmentalists say that you cannot get to Paris targets without enhanced oil recovery CCUS.

Enhanced oil recovery, the extraction of oil that way, generates 80% fewer emissions than traditional extraction. As we look at the ways that we can meet genuine targets, whether it's through LNG and whether it's through enhanced oil recovery CCUS, why can we not look at these things? How can we so strangle economies by saying that you can't? As I say, I'm sure that you and others have all looked at the prices, the cost, of an export-based hydrogen economy or a total hard transition to green hydrogen: The costs are eye-popping, and I would simply ask....

Part of this bill, because it's so general, raises some of these key issues around what transition means and the most effective, efficient ways of getting there. I would submit that the Saguenay facility was a lost opportunity, but that's simply my opinion. I think other Canadians might share that opinion, but it is what it is. We're in that situation now, and we have to perhaps struggle or hurry to fill that void before other countries, those with diminished labour standards, diminished human rights standards and the rest, fill that void. It's unfortunate that they're the ones doing it and not Canada.

● (1130)

[*Translation*]

Mr. Sébastien Lemire: I must admit that, as the member of Parliament for Abitibi-Témiscamingue, where the pipeline connecting the existing pipeline to the GNL Québec pipeline should have gone, I see very few advantages and many disadvantages for my region. Not only does this project not create many jobs, but it would also leave a scar. I will admit to you quite honestly that I was in favour of the Quebec government's decision.

That said, would you look favourably on the creation of a development fund by and for the regions, which would essentially aim to allow the territories to work together to capitalize on territorial innovation? Consequently, the federal government, the provinces and the community could have local and regional economic levers.

[*English*]

Hon. Bronwyn Eyre: I'm going to answer this in English, if I may.

I think there are so many funds, if we're talking about funds that we can access as provinces, like innovation funds. For example, the one that I mentioned that's over $100 million.... Honestly, one loses track of some of these names.

There are so many funds that the federal government is proposing in terms of critical minerals, clean electricity, a low-carbon economy and the rest. They all come with, as I said, enormous strings attached. Where the strings are often attached....

I do admire Quebec's very strong assertion of constitutional provincial jurisdiction and exclusive jurisdiction. We admire that and we agree with it. Provinces have to be very clear that if there's an acceptance and buy-in to federal funds and federal programs, we don't lose sight.... Our biggest concern is feeling co-opted by federal programs and funding if it starts to veer too seriously into exclusive provincial jurisdiction. That is very top of mind for us.

From Saskatchewan's perspective—

[*Translation*]

Mr. Sébastien Lemire: Out of respect for the others, I'm going to stop you there, Ms. Eyre.

Thank you very much for your response.

Hon. Bronwyn Eyre: All right. Thank you.

The Chair: Thank you, Mr. Lemire. You could take my place.

Mr. Masse, you have the floor for six minutes.

[*English*]

Mr. Brian Masse (Windsor West, NDP): Thank you, Mr. Chair.

Thank you, Minister, for appearing this morning and joining our committee.

I'm going to move to Bill C-235 specifically. I wonder if you had any thoughts about the implementation schedule that is now being suggested, which is 12 months instead of 18 months. Do you have an opinion on that?

I'll get to some other questions, but this is one thing that the Honourable Mr. Carr presented in changing the timeline. I wonder what your thoughts are on that, please.

● (1135)

Hon. Bronwyn Eyre: I guess it makes me very nervous. I find the bill so general. On the earlier question about consultation, I don't know how you can possibly have a full consultation or collaboration if you speed up. How do you build a green economy in 12 months in the areas that are being listed there?

It makes me nervous and I think it makes people here nervous because, except for the national energy program, provincially we've never seen the economic harm that has been at least attempted to be perpetrated on one region of a federation the way we have in recent years with this government.

That's what is so nerve-racking about this bill. It's another effort in a line of efforts to speak about collaboration, co-operation and consultation, but really, when you look at the record, it signals potential top-down economic harm on one region. That's what's very nerve-racking about it.

Mr. Brian Masse: Have you or any of your colleagues been pressed to support this bill? Not in a negative sense, but are any groups or organizations writing or submitting to the Saskatchewan government to support the bill?

Hon. Bronwyn Eyre: I don't think there's much knowledge about the bill. Mr. Carr was quite clear that there hadn't been consultation on this bill previous to its being introduced by him. If I'm understanding him correctly, the consultation would begin following the introduction of the bill.

There really isn't a lot of knowledge out there about it. If there was, I think there would be a fair bit of cynicism about it in light of some of the efforts in the past to implement things like this one on the province.

Mr. Brian Masse: With regard to the bill itself and your current consultation process, the addition of another minister was mentioned. I'm going to ask this directly: Is the federal-provincial relationship dysfunctional in terms of consultation right now, or are things happening?

I come from the auto sector, where we've had to transition, and there have been lots of politics and ups and downs. We're all trying to diversify and keep jobs and so forth. There are those natural issues that evolve. I guess my concern about the bill is whether it is required for the relationship right now.

Hon. Bronwyn Eyre: It's a very good question, and I'm going to use a very specific example to answer, because we want to make sure we're trying to be constructive about what could help the relationship.

I often use the example of our methane plan. The Province of Saskatchewan has federal equivalency for methane. People don't really know that, but we do. We worked very hard for two years to negotiate with the federal government in good faith. We got equivalency. Our methane plan has been approved, as I say, and the federal government has signed off on it. The problem is that they don't share any data with us.

I, in my former role, raised this issue with Minister Wilkinson, and he said it made sense that ECCC should share data with us. We had a plan and we lowered methane by 50%. Minister Steven Guilbeault tweeted his congratulations, and we appreciated that, but it was like "Congratulations, Saskatchewan. You've lowered methane by 50%. Now we'll raise that reduction to 75%."

However, we don't see any of the numbers. Are the models they're imposing on us from Texas or Alberta? We don't know. We get a portion of the data, but we don't get the full data. How can you not be cynical about a partnership in which you're not really partners because the numbers on which the new strictures being imposed are based are not being shared with you?

Therefore, to your question about whether the consultation is dysfunctional, I would say, based on that very real example, unfortunately, yes. We actually worked hard together to get to a point, and then the game is constantly changed. The numbers are constantly changed. The goals are always changed.

We worked hard to reduce methane, to the point where we were congratulated federally on our efforts. When we talk about Bill C-235, then, what are the new expectations going to be, and what strings are going to be attached, and how is it going to impact our sectors?

● (1140)

Mr. Brian Masse: Just so you know, there is an effort to—

I'm sorry. The chair is looking at me. I will get two minutes later. Thank you.

The Chair: Mr. Kram, go ahead for five minutes.

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

Minister Eyre, you mentioned in your opening statement that Saskatchewan Premier Scott Moe was in North Battleford last week to unveil his new document. Its title is "Drawing the Line", and it is subtitled "Defending Saskatchewan's Economic Autonomy".

Can you please bring us up to speed on what this document is all about?

Hon. Bronwyn Eyre: Well, among other things, it's really looking at the impacts of federal policies, regulations and legislation on our economy, which I think is very relevant for the purpose of committee members this morning. We want to foster what we've built. We want to build on what we have. There is a dollar figure. As I said, $111 billion is cited in the document that you referenced. That is the cumulative impact we see from that required compliance, that compliance expectation, with some of these initiatives.

I referenced in my opening remarks the federal fuel standard, for example, which Saskatchewan has been very open about in terms of economic impact. It is a second carbon tax of $300 million on gas consumption and $400 million on diesel. That doesn't just happen in a silo, a vacuum. Its impact is not in some sort of abstract vacuum. It goes back to supply chain, affordability, transporting goods, getting food to grocery stores, people putting gas in their cars and heating their homes—all of it. That is a dollar figure amount on that.

We talked about clean electricity regulations, and I would like to take the opportunity to talk very briefly about the $460 million that the federal government owes SaskPower on the carbon tax. As we all know, we lost the case. It was tragic for us, but we lost the case. We have submitted subsequent plans to the federal government: Could we have that money that you are holding in carbon tax? SaskPower has been very open about the fact that they would use that money on renewable and positive efforts in this province. It's $460 million and it has not been released. There are massive economic impacts to these things, and we feel that it's time to really highlight what that means.

To Quebec's point about jurisdiction, I do respect provincial jurisdiction. I think we all have to in decisions in which natural jurisdiction or exclusive jurisdiction comes into play over natural resources. We have that. It's constitutional. To be part of an honourable federation, we have to respect that, and the federal government must start to respect it.

Mr. Michael Kram: How do you see federal Bill C-235 fitting in with Premier Moe's plan to defend Saskatchewan's economic autonomy?

Hon. Bronwyn Eyre: Well, I've said through the remarks this morning that one thing that's concerning about the bill is the top-down name, the top-down tone, and the implementation of we're not quite sure what. It's the vagueness, frankly. It's both the vagueness and the prescriptiveness, if that makes sense. It's the prescriptiveness of tone and the vagueness of purpose.

I think we've seen this movie so many times before in Saskatchewan with, as I said, the funds, the priorities, the fostering and the strings that come with those efforts. Unfortunately, a mistrust has built up. In the context of what the premier was trying to highlight last week, which is around our jurisdiction and the economic harm of some of these policies, I think the alarm bells go off when we read titles like the one for Bill C-235. We wonder what it means and what it will mean. We've seen, for example, a movement around capping oil and increasing methane reduction caps, and turning on a dime on that, as I've referenced. What does this mean, and where are they coming next?

One of your committee members referenced our amazing story in agriculture. Of course, we're very concerned that the federal government is now shifting to a policy against that as well. It affects growth, it affects our economic potential and it affects our exclusive jurisdictions.

● (1145)

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

We'll move to Mr. Dong for five minutes.

Mr. Han Dong (Don Valley North, Lib.): Thank you very much, Chair.

Thank you, Minister, for coming to the committee.

I've been listening to the Qs and As back and forth. I just want to get back to the basics so that we have a record. Do you think this bill itself is necessary? Do you think there should be a federal-provincial partnership in terms of bringing down emissions and reaching the net zero 2050 target set by international society?

Hon. Bronwyn Eyre: I don't think the bill is necessary. I think we are already doing significant things in Canada, in western Canada and in Saskatchewan around emissions, and I've referenced some of them. The emissions from our potash sector are 50% lower than those in any other jurisdiction in the world. We have high environmental standards. We have high human rights standards. We have high labour standards. Again, we're very innovative, very green in a sector such as that. Oil and gas I referenced—

Mr. Han Dong: Okay—

Hon. Bronwyn Eyre: It's very important.

Mr. Han Dong: I don't mean to be rude; I just have very limited time and I have a few more questions, so it's good that we're clear.

Canada is among the top emitters per capita in the world. That makes us less convincing when we go out and tell the world that we want to lead the emissions reductions and deal with climate change. Do you think what each province is doing is enough to reach the 2050 net-zero goal?

Hon. Bronwyn Eyre: We don't accept per capita. We see that as a misleading intensity gauge. It's intensity that should be gauged, not per capita emissions. When you look at true emissions that Saskatchewan produces, based on that reckoning, it's 0.111%. It's very, very small, and within the global context it's minuscule.

I guess I would ask whether we are doing enough, for example, when in some of the areas that I've mentioned we have more or less flat emissions, by NRCan's own reckoning, such as in the oil and gas sector in Canada over the last two decades. How can you cap what is more or less flat?

We have to look at this in a global context because, as I said, if every oil- and gas-producing nation on the planet extracted the way we do here in Canada, global GHGs that are energy produced would instantly fall by 25%. We always look at it in a global context, but not really when we compare our record to those of global jurisdictions. The question becomes this: If Germany is ramping up coal and using natural gas, and Europe is desperate for it, why are we strangling what are now being described perhaps as transition fuels, if you're talking about LNG? Why are we doing that to ourselves if other countries are not?

● (1150)

Mr. Han Dong: I don't mean to argue with you on this, but here we are talking about potential collaboration between the federal government and provincial government, and it sounds as though we have very different opinions on this. Using the same logic, I think it's even more difficult for us to convince Germany to work with us. We can't tell them what to do. I'm not saying that the federal government can tell the provincial government what to do, but at least we can work together and can sit down at the table. That's what this bill does; it's actually setting up the framework.

I looked at the emission levels within Canada, province by province. Take energy generation, for example. Every province has its uniqueness. Ontario's baseload is on nuclear, and they made some bold moves in 2009, I think, to eliminate 25% of coal generation. That was very painful. The government at that time took a huge political hit in the public for that.

My point is that to reach a certain level of reduction, the provincial government needs to make some drastic changes.

Hon. Bronwyn Eyre: But we have.

With respect, we've cut methane by 50%. You talked about nuclear; we are bringing out small modular reactors. We've been leaders in that. We were the leaders on that and we have no federal funding on nuclear or on our small modular reactor plan. Small modular reactors can really only come online in the late 2030s. In the meantime, if the clean electricity regulations come on tap, you're telling us—you're not sitting down with us; you're telling us—to stop fossil-fuel-generated power by 2035. That is literally impossible, according to SaskPower. We cannot bring on nuclear in time.

We're doing what we can. We cut methane by 50%. We are doing those things. We are simply not getting the credit we deserve for doing those things when we're then told to make it 65% or 70%. It has not been collaborative.

Mr. Han Dong: I really appreciate this conversation, because now we are talking about the details, but do you feel that this bill actually sets the table so that we can come to the table and you can bring forward requests and say, “We need support on small modular nuclear” and we can talk about more support for the reduction of methane gas?

Right now there is a lack of that at the table, in my understanding, but do you feel that now the federal government ministers are obligated to come to this table and sit down with the three provinces and work out what they need and what we can do as the federal government to play a role as one of four, not as a top-down approach but at the same level? Do you feel that this bill does that?

Hon. Bronwyn Eyre: Well, it's a shame that the tone of the bill is so top-down. I guess I would say that there's nothing stopping ministers right now from sharing their methane data with us.

We don't need Bill C-235, surely, to work collaboratively with provinces on things of joint interest. As I say, the data isn't being provided on methane. I don't think we need Bill C-235 to mandate anything when that's just what honourable partners do.

Mr. Han Dong: I enjoyed the conversation, Minister. My time is up. I just want to let you know you have quite a few fans in the committee room here. They're cheering you on.

Voices: Oh, oh!

Mr. Han Dong: Thank you.

The Chair: I second that.

[*Translation*]

Mr. Lemire, you have the floor for two and a half minutes.

Mr. Sébastien Lemire: Thank you very much, Mr. Chair.

Ms. Eyre, when you were Minister of Energy and Resources in your government, you said that the costs associated with the green transition were a major obstacle. You were concerned about the costs in terms of lost jobs and lost revenue if the transition happened too quickly. You had indicated that there was a need for grassroots consultation.

In theory, Bill C-235 takes a step in that direction. It aims to establish programs and projects that stimulate a green economy to take into account the local situation, in addition to engaging local businesses, governments and civil society organizations. I am referring here to section 3 of the bill.

Doesn't this bill help to address some of your concerns? Would it be an interesting step forward?

Hon. Bronwyn Eyre: In fact, I think it would help if Bill C-235 referred to working together with respect to the laws and regulations that already exist.

● (1155)

[*English*]

Instead of starting fresh in Bill C-235 and saying that now, for these enumerated areas, from tree planting to the rest, we are going to mandate implementation—which sounds pretty top-down—but we're going to then consult on that mandated implementation, it seems to me that it would be more helpful, I think, to say.... There are dozens of top-down regulations, policy mandates and laws on the books, from the federal fuel standard to clean electricity regulations to holding on to our carbon tax money to the rest. It's almost difficult to keep track of all the federal programs on the books that are in that mandate to provinces.

I think it would be helpful, in light of all of these—from the federal fuel standard to the carbon tax to the methane—to say that we're going to share data, we're going to talk to communities, we're going to talk to ministers. We're going to lay all these things on the table, literally and figuratively, and we're going to figure out how we can actually work together in a real way and in an apples to apples way.

I bring up methane, for example, because it was "Reduce it by 75%. Thanks for doing 50%, but we raise you to 75%". We provide our numbers, but where are your numbers?

It seems to me that we don't need a Bill C-235 to say that collaboration should start now around new areas, new infrastructure and new projects. I think it's really about stopping where we are, pausing and going back and talking through everything that has been imposed till now.

[*Translation*]

Mr. Sébastien Lemire: Madam Minister, in the interest of fairness, I feel compelled to interrupt you here. I thank you for speaking in French.

I share the view that the role of the federal government is not to take our money and impose its vision on us.

Thank you.

Hon. Bronwyn Eyre: Thank you.

The Chair: Thank you very much.

Mr. Masse, the floor is yours.

[*English*]

Mr. Brian Masse: Thank you, Mr. Chair.

I'm just going to make one comment, because we've heard quite a bit of good comment here.

Just so you know, Minister, there is a Crown copyright issue that this country hasn't dealt with. I hear your concern with regard to sharing information. In fact, we still have Crown copyright preventing any public dissemination of information that we research and so forth. That dates back to 1909 in British law. In fact, it wasn't even addressed until 1911 here in Canada. We are the only Commonwealth nation to continue that, and it's different from the United States.

I'll conclude on that. I do have a private member's bill to adjust this. Mr. Lametti, as the minister and Attorney General, was at this committee, and he is excellent on this in terms of having a good background on it, and the committee did deal with it. That is the one thing I will suggest in the future for all government studies, data and information. Not having it sets us back economically and socially. I hear your concerns, because we are the only Commonwealth nation not to have dealt with this issue. We are different from the United States in providing information.

Thank you, Mr. Chair, and thank you, Minister.

The Chair: Thank you very much.

That's all the time we have for questions today.

I want to thank you, Madam Minister, for taking the time out of your busy schedule to come and speak to us at committee. It's much appreciated by all members.

With that, I'll suspend for a few minutes.

● (1155)

_____________________(Pause)_____________________

● (1205)

[*Translation*]

The Chair: Ladies and gentlemen, I would ask you to take your seats. It is already five minutes past noon, and we will begin this second hour without further delay.

I am pleased to welcome you to the Standing Committee on Industry and Technology.

We welcome the following witnesses: Mr. Gil McGowan, president of the Alberta Federation of Labour; Ms. Cathy Heron, president of Alberta Municipalities; and Mr. Bob Masterson, president and chief executive officer of the Chemistry Industry Association of Canada.

I thank you all for attending.

Mr. McGowan, you have the floor for five minutes.

[*English*]

Mr. Gil McGowan (President, Alberta Federation of Labour): Good afternoon.

My name is Gil McGowan. I'm the elected president of the Alberta Federation of Labour. The AFL is the largest worker advocacy group in Alberta, representing more than 170,000 unionized workers in both the public and private sectors, including thousands of people who work in oil and gas and in oil and gas-related construction.

I'm here to support Bill C-235 because it would provide an organized and constructive framework to get Prairie folks talking about the unfolding global energy transition—and, man, do we need to talk. As it stands right now, rational discussion on these issues is being deliberately blocked and shut down.

Instead of helping citizens of Alberta and Saskatchewan prepare themselves for a world that's changing fast, far too many conservative politicians from our region are using these issues to sow misinformation and whip up anger for their own political gain. They say that anyone who doesn't agree with them is trying to shut down our resource industries. They say that an effort to plan for the future that might look even a little different from our past is an attack on our way of life in the Prairies. They even suggest that you're not a real Albertan if you don't join them in defending and doubling down on the status quo.

Frankly, I call BS on all of it. I'm as Albertan as you can get. I grew up on a farm in rural Alberta. I went to school in Alberta. I raised my family in Alberta. I'm also proud of our oil and gas industry. It's the engine of our economy and has brought us unprecedented prosperity. Alberta workers, the folks I represent, built it and maintained it, and we are proud of that fact.

However, we also know that change is coming. We know that we can and should prepare and plan for it. We know that if we don't, we could be left behind. This is why I support this bill. We need platforms for all the diverse voices from the Prairies to be heard.

For the Conservative members around this committee table, please stop. Please stop pretending that you speak for all western Canadians. You don't. Stop trying to drown out other western voices. We deserve to be heard just as much as you. Stop trying to demonize us. We're just as much real westerners as you are.

To give you a sense of what could be brought to the table should this government create the framework for consultation contemplated by Bill C-235, I refer all of you to a report that the AFL released in Calgary last week. We call it “Skate to Where the Puck is Going”.

Our report is not an emission reduction strategy, a climate leadership plan or a green new deal. It's certainly not a plan to shut down our resource industries or end our western way of life. Instead, it's just the opposite. It lays out a bold and ambitious plan for the Alberta economy, a plan that would preserve existing jobs in oil and gas, create 200,000 new jobs both within the oil and gas sector and beyond it, and set us on a path for continued prosperity in a changing world.

Significantly, our plan for adapting the Alberta economy is similar to plans released by Alberta business groups like the Business Council of Alberta and Calgary Economic Development. These are the kinds of western voices that are currently being drowned out. They are also the kinds of voices that, for the sake of our future prosperity in western Canada, desperately need to be heard.

That's why we support this bill. Please provide a platform for the western voices who are currently being drowned out.

Thank you.

The Chair: Thank you very much, Mr. McGowan.

We'll turn now to Madam Heron from Alberta Municipalities. Madam Heron, the floor is yours.

Ms. Cathy Heron (President, Alberta Municipalities): Hello. My name is Cathy Heron and I am the president of Alberta Municipalities. I'm also the mayor of the city of St. Albert, which is just north of Edmonton. About 67,000 people live in my community, so at a federal level, we're considered a small community.

Alberta Municipalities is an association that represents Alberta's cities, towns, villages, summer villages and specialized municipalities. We represent the communities in which more than 85% of Albertans live. I'd really like to thank you for inviting me to present here today, although much like Mr. McGowan, I wish I were in Ottawa with you. Next time I will be, hopefully.

At the beginning of October, five municipal associations representing Canada's prairie provinces met in Edmonton to discuss issues of common interest. In attendance were Alberta Municipalities; the Rural Municipalities of Alberta; Saskatchewan Association of Rural Municipalities, SUMA, which is the urban association in Saskatchewan; and of course the Association of Manitoba Municipalities, which represents all municipalities in Manitoba.

During our discussions, we talked about issues that Bill C-235 addresses. I have to be very clear that I don't speak for the other associations, but I do think that the discussions we had will really help to improve this bill before it goes back to the House of Commons.

First, Mr. Chair, I would like to speak to subclause 3(1) of the bill, the “Development” section.

The language in this section speaks to the creation of a green economy in Canada's prairie provinces. This seems to suggest that prairie provinces do not currently have a green economy. However, during my meetings with the leaders of the prairie municipal associations, we discussed many green innovations in our respective provinces, including examples from agriculture, solar energy, oil and gas, and waste management sectors. The language in this bill would be more accurate if it referred to “strengthening” or “supporting” a green economy in the Prairies. We are very much already heading down this path, but it is agreed that further federal support is needed and would be more than welcomed. I don't believe any government anywhere has ever created an economy. That only happens with the full involvement of private industry. It is the government's role to create a business-friendly environment, and then businesses move the economy forward.

I'm going to move on to the “Consultation” subclause of this bill.

This subclause speaks to engaging provincial governments, indigenous communities and the private sector to help develop a green economy in the Prairies. Unfortunately, one of the major gaps in this subclause is that you've left out municipalities. I don't believe the Minister of Industry would succeed in the implementation of this framework without consultation with municipalities. Therefore, I ask that municipal governments be included in subclause 3(2) of this bill. I believe that was probably the intent. I've heard a lot of talk today about local, and that's exactly what we are—local government. Of course, you've invited me here today, so I do believe the intent is there, but it would be nice to have it included.

In subclause 3(3), the “Content” section, the bill speaks to prioritizing green projects and integrating more green energy into agriculture, forestry, manufacturing and tourism sectors. This section also speaks to the establishment of programs and projects that would stimulate a green economy and ensure that infrastructure projects incorporate climate change mitigation. These are all areas I was glad to see integrated into the bill.

Paragraphs 3(3)(a) and 3(3)(b), however, leave a lot to be desired. Paragraph 3(3)(a) is worded in a way that indicates that we don't have public transit in the prairie provinces. I can't speak for my counterparts in Saskatchewan or Manitoba, but I can assure you that Alberta has public transit. While we would benefit from more funding and support, it definitely does exist. We have 18 municipalities in Alberta operating their own local transit authorities. Approximately 3.1 million Albertans live in those 18 municipalities. Those 18 communities don't include the various not-for-profit and volunteer-operated transit systems in smaller communities, which help seniors or people living with disabilities continue to reside in their community.

I would encourage the committee, through the chair, to consider amending this language to acknowledge that we have transit in the Prairies and that the framework considered in the bill would work with municipalities to improve and strengthen municipal public transit.

We know that other models of public transit exist besides the ones that currently work in large centres. Those different models that exist in smaller communities need to be considered and funded. These include ride-sharing programs, not-for-profit models and on-demand solutions. The town of Okotoks in Alberta, for example, launched an on-demand transit system that has been so successful that it won the minister's award for transportation innovation. Okotoks is just south of Calgary, and I think their population is less than 30,000 people.

I'd also like to adjust paragraph 3(3)(b) of the bill since it fundamentally misrepresents the role the energy industry will play in the move to a net-zero economy. Instead of “retraining” people who currently work in the oil and gas industry, this section should speak to leveraging their expertise to implement an emission-reducing technology.

● (1210)

In my region, we have what is known as the Alberta Industrial Heartland group. This group has made a very strong business case for hydrogen's role in our future, and I'm talking about blue hydrogen from methane. This business case has been so strong that billions of dollars have been invested into the region so that we can be among the first to produce hydrogen at a commercial scale, because there is a worldwide demand for low-emission energy sources. Alberta is also piloting hydrogen into residential natural gas systems to lower the emissions from heating our homes.

These are just two examples of how the oil and gas industry is playing an integral role in moving Canada towards a net-zero or low-carbon economy.

I would like to thank the chair and the committee for their time today. Thank you for considering municipal perspectives as you work to improve this bill. Alberta Municipalities hopes there will be other opportunities to provide input, feedback and advice in the future.

● (1215)

[*Translation*]

The Chair: Thank you, Ms. Heron.

I now give the floor to Mr. Masterson for five minutes.

[*English*]

Mr. Bob Masterson (President and Chief Executive Officer, Chemistry Industry Association of Canada): Thank you, Mr. Chair and committee members. It's wonderful to be here in committee for the first time in three years. It's great to be back with you in person. Thank you for that.

I'll start by commending MP Carr for the bill and the study into the Prairie economy. Former Minister Carr well knows—as was discussed in the Generation Energy report he commissioned—that the opportunities for Canada to lead in the transformation of the global chemistry industry are real. There's a great opportunity for us. That report identified the opportunities to both substantially lower our emissions and provide the world with the low-carbon chemical products it needs.

Our sector is the third-largest manufacturing sector in the country. Economic activity is at about $65 billion, and 80% of that product is exported outside our borders. Again, if we can decarbonize our sector, we're decarbonizing a good chunk of the global chemistry industry.

The most important thing I'd like you to take away from today's discussion, though, is this: The sector is poised for additional and significant growth, especially in Alberta. At present, over a dozen chemistry projects have been proposed. Taken together, as Cathy mentioned, we have over $30 billion in proposed investments. Here's the thing: Each and every one of those is envisioned as net carbon zero, or low carbon, from initial operation. That includes Dow's proposal to build the world's first fully net-carbon-zero petrochemical facility in Fort Saskatchewan, Alberta.

Why is this activity taking place? It's broadly accepted that there's a five-part framework to decarbonize the chemistry sector: switching to lower-carbon feedstocks, which includes biomass; carbon capture and storage, which has already been discussed; hydrogen; electrification; and building circularity for our products. If we can get products back into the market from recovered and repurposed materials, that is new production that doesn't have to take place.

The wonderful news is that Canada, in the Prairies and Alberta in particular, is only one of two jurisdictions worldwide that provides the opportunity for all five of those decarbonization pathways to take place. That's one reason you're seeing all of this attention on investments in western Canada, right now.

I want to make sure you understand that there are two very real challenges.

First, these projects are “proposed”. Unfortunately, Cathy, the investments haven't been made yet. They've been proposed. That's largely based on the investment conditions established by successive provincial governments in Alberta. Therefore, there's significant work to be done to turn those into final investment decisions to build infrastructure.

I don't want to debate the particulars of this bill. What I want to do is draw attention to the work the federal government, through this committee's recommendations, could do to help, especially with paragraphs 3(3)(d) and 3(3)(e) in the proposed terms of reference for this bill.

Second, take a step back from those $30-billion projects in Alberta. The sector has $200 billion to $300 billion of built infrastructure today in Canada. If we want to decarbonize by 2050, we have to recapitalize every penny of that infrastructure over the next two decades.

If you take one clear message away, it's this: As I say all the time to Mr. Guilbeault and others, it's no longer about environment policy; it's about investment policy. You have an industry that is going to make these investments. It's committed to net zero. The only question is, where is it going to make those investments? We have the opportunity to do it here. I think you share our objective to make sure that it's done in order to provide economic prosperity for generations to come and make sure the world is getting low-carbon chemical products. It's a great opportunity.

If you proceed with the study and get to that point, let me tell you two key things you could focus on that would add value to this transition and the transformation of our industry in western Canada.

First, we need a much more competitive process to support carbon capture and storage opportunities. As mentioned, every one of those dozen projects I talked about—the $30 billion—envisions a role for carbon capture and storage. The Government of Canada has proposed, and is consulting on, a tax credit. It's now a moot point after the Biden Inflation Reduction Act, and there's a lot of work to do if we want to be serious about attracting that investment to Canada, and to western Canada in particular. I'd be happy to talk about some of those specifics during the questions.

Finally, we need to look at the broader investment climate. Study after study shows that foreign investment is slipping in Canada. That will impact our future prosperity. As I said, in our sector alone, we have to recapitalize $200 billion to $300 billion of existing infrastructure. Is that a big deal? Can we do that in 20 years? I'd say we could, probably. It sounds reasonable, but I'd say that over the last 20 years, we've recapitalized $10 billion. Fundamentally, what's going to change between what we've done in the last two decades and what we need to do in the next two decades? It's not environment policy. I'll say it again: It's the investment policy.

● (1220)

What this study can do, what this committee can do, is make the recommendations so that we can get serious about changing the investment environment and that the proposals currently on the table turn into final investment decisions promptly and build infrastructure and we're able to recapitalize the rest of the industry.

Again, I'd be happy to respond to some specifics during the questions.

Thank you again, Mr. Chair.

The Chair: Thank you very much, Mr. Masterson.

Thanks to all our witnesses.

We'll start the discussion right now. MP Mazier, you have six minutes.

Mr. Dan Mazier (Dauphin—Swan River—Neepawa, CPC): Thank you, Mr. Chair.

Thank you to the witnesses for coming out here today.

Mr. Carr, the author of this bill, admitted that he had not consulted with the premiers of the provinces that this bill specifically impacts. We also heard at the last meeting that the municipalities in Saskatchewan had not been consulted on Bill C-235.

Mr. Carr also noted that this bill does not have the endorsement of any municipality. It does not have the endorsement of any provincial minister or premier and it does not have the endorsement of any first nation. He also noted that there are zero petitions of support from the public on this bill.

Mr. Masterson, how important is it to ensure that stakeholders directly impacted by legislation are consulted with, and do you see any potential risks with passing legislation that does not have the support of the people it directly impacts?

Mr. Bob Masterson: That's a good question.

You know what? I presume that when we get to actions, that's the proper time to consult. For a report on what could be done, what the current situation is and what needs to be done to advance the projects already proposed and supported by the Province of Alberta, I don't see any problem with that. Those processes have been through a lot of consultation.

The gaps are clear. I think the province agrees with what those are. If this committee and the government could take steps that would enhance the environment—the economic investment opportunities—who would be against that?

Mr. Dan Mazier: Okay.

Ms. Heron, can you think of any federal legislation that was passed that impacted only the prairie provinces and did not have the support of any of the prairie provinces?

Ms. Cathy Heron: I can't think of anything off the top of my head, but I would say that your previous—

Mr. Dan Mazier: Do you think it's important?

Ms. Cathy Heron: The support is important, yes, and I think we could get there easily with this bill, but I do agree with you that this bill should probably apply to every province in Canada, not just the west.

I think that in many ways—and the previous speaker might have mentioned it—we feel singled out through that process. I think there's a perception in Canada that the prairie provinces are not doing their part for a green economy, but I would disagree with that.

I would absolutely say that the entire country should be benefiting from this kind of framework. As for support and endorsement, I think this is a very little-known and little-understood bill that probably, with more education and consultation, could get support.

Mr. Dan Mazier: Thank you.

Mr. Masterson, can you share with this committee some of the information on investments your industry has been making in clean technology and environmental stewardship without instructions from the federal government?

Mr. Bob Masterson: Well, again, I mentioned that there are a dozen projects currently under way in Alberta alone—

Mr. Dan Mazier: Give me one, just off the top.

Mr. Bob Masterson: The Dow Fort Saskatchewan project would be one. It includes an ethylene cracker and derivatives. An ethylene cracker is a highly emissions-intensive project. It takes a lot of energy to crack ethane and turn it into ethylene and then on to the derivatives, the many, many derivatives that provide economic value—

Mr. Dan Mazier: That's with no—

Mr. Bob Masterson: The proposal is to basically have a circular hydrogen process. Ethylene cracking gives off hydrogen. Some of that is currently captured and used. The process would maximize that opportunity and also bring in other hydrogen so that we don't have to use natural gas. Any emissions would be captured and sequestered.

In phase two of that project, before 2030 Dow is proposing to go back and recapture the emissions from the existing facility in Fort Saskatchewan. That's all done under the auspices of the investment support programs being put in place in Alberta at this time.

● (1225)

Mr. Dan Mazier: Is that without the federal instructions, basically? You said over a dozen—

Mr. Bob Masterson: Again, I would say that this is a proposal. The opportunity is to.... Since it does, we would hope, meet the federal government's expectations, there should be an interest in getting that to a final investment decision and building the infrastructure as soon as possible.

Mr. Dan Mazier: But industry is taking the initiative and showing how to do it.

Mr. Bob Masterson: Absolutely: Shell is building a 50-megawatt solar farm that will largely power their chemical plant in Scotford. They also are greatly expanding their carbon capture activities, as Cathy mentioned.

We talk a lot about hydrogen, but these hydrogen projects that are proposed in western Canada.... Because you're so far from the customer, if the customer is in Asia, you're talking about turning the natural gas not into hydrogen but into methanol or ammonia, which then will be shipped to Asia and other markets and used as ammonia fuel, let's call it, or methanol fuel, which has a very high hydrogen content.

Make no mistake: These are chemical-producing facilities, and I'm sure the investors are going to be looking at what the base case is for selling these commodities as methanol or ammonia if there isn't a market that pays for hydrogen fuel.

Mr. Dan Mazier: It's great to hear that there's so much activity without federal instructions.

Mr. Bob Masterson: Here's one last one. To get back to feedstock switching, Imperial is proposing a very large biodiesel facility in Strathcona, just outside of Edmonton.

Mr. Dan Mazier: Excellent.

Mr. Bob Masterson: I could go on with a whole list, if you want. It's a long list.

Mr. Dan Mazier: That's great to hear.

Ms. Heron, how important is consultation and obtaining support from stakeholders in the work done by you and your organization?

Ms. Cathy Heron: Our organization doesn't do anything without getting appropriate consultation. I would see what we're doing right now as an important piece of this conversation. I said it earlier: We need to include the municipalities at that level of consultation. We always talk about the indigenous communities and the private sector, but it is the mayors and councillors who are getting the feedback about whether we're going to have nuclear in our backyard or not. Those kinds of questions are in Albertans' minds right now.

We have the insight into what people want, so I really think you need to be in consultation with not just me as the president of an association but also the individual mayors across Alberta and the Prairies.

Mr. Dan Mazier: Thank you very much.

[*Translation*]

The Chair: Thank you.

I'll turn the floor over to Ms. Lapointe for six minutes.

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

[*English*]

Mr. McGowan, I could relate to a lot of the things you were saying. I'm from Sudbury, and I can tell you that often northern Ontario does not feel like its unique needs of a vast geography or dispersed population are in any way reflected in decisions made out of Queen's Park.

I believe your introductory remarks were critically important for future success. I would like to give you the floor to tell us more about your experiences and to hear more on your suggestions on how we can encourage unreceptive and impeding leaders to work together to create that clean energy future.

Mr. Gil McGowan: Thanks very much for the question.

That's the reason I'm here and the reason that we at the Alberta Federation of Labour support this particular piece of legislation. It's because it will provide a platform for consultation. That's what excites me most about it.

Contrary to what we heard from one of the other committee members, we should not criticize the author of this bill for not consulting widely on a bill about consultation. What he's trying to do—and I think what will happen if this bill is passed—is create a platform for discussion, which is critically important, because in the west, the conversation has been dominated by loud, angry voices that have crowded out all other discussion.

As I mentioned in my opening remarks, there is a large and broad coalition of groups and individuals in Alberta who want to see our province, and western Canada in general, address the threats that are presented by the unfolding global energy transition but also embrace the opportunities, because there are many. My colleague next to me, Mr. Masterson, has identified a few in the petrochemical sector, but there are many others as well.

From our perspective, in order to get to that destination of creating a more diversified economy, addressing the threats of the global energy transition, retooling and pivoting our economy in western Canada and in Alberta in particular, and to address this changing global economy, we need to put all the ideas on the table, but unfortunately those ideas have been crowded out by loud political discussions led by Conservative politicians, for the record. Many of you may have heard what we're up against. As I was speaking, there was noise being made by the Conservative members on this committee. This is what we deal with every day.

There's a difference between what's happening in here—constructive conversation—and what's happening out there. What's happening out there, especially in western Canada, is that anyone who doesn't agree with “my province, do or die” or “my industry, do or die”, and who has a nuanced perspective on how we can transform our economy to maintain prosperity in a changing world is demonized. We're shut out. That has to end. I think very strongly that creating a platform and a framework for discussion like the one envisioned by this legislation is exactly what we need.

Your colleague talked about consultation. Let's create a platform for consultation, so that the voices that have been drowned out will finally have a place to be heard.

Just last week, we at the Federation of Labour unveiled a 90-page blueprint for pivoting the Alberta economy. I think it's significant that it's very similar to suggestions being put forward by the Alberta business community, and the fact that we're all singing from a very similar song sheet suggests to me that we're on to something. I've shared the report with the committee clerk. I would encourage all members of the committee to take a look at it.

This cartoonish debate of “are you for us or against us?” and "are you with us or against us?” is not constructive. That's why I think it's really important for us to create platforms like the one contemplated by this legislation. It's so that all these other western voices, like those of the people you're hearing today—like Mayor Heron and Mr. Masterson—people from the business community, the labour community, the indigenous community....

We're Albertans too. Frankly, I've had it with these loud voices from the conservative right, pretending that they speak for all western Canadians. They do not.

● (1230)

Ms. Viviane Lapointe: There was an appearance of Mr. Raymond Orb at this committee on October 6. He's the president of the Saskatchewan Association of Rural Municipalities, and he expressed concern about the bill, saying that it assumes that the interests of all those residing in these provinces are the same, and that this assumption simply isn't going to work. Issues facing rural Saskatchewan are unique to rural Saskatchewan.

I would agree, and I think some of the concerns you're expressing about everyone's unique and specific needs need to be included. What considerations do you think the bill could include to ensure that this is the outcome?

Mr. Gil McGowan: One of the things I'd really like the government to consider, if they move forward with the kind of report contemplated by this legislation, is the impact of the Inflation Reduction Act, which was passed by the American Congress over the summer. I can't stress enough for this committee how significant that legislation is for not just the American economy but also the Canadian economy.

It is what policy wonks would call “industrial policy”. It is designed to have the American government put their money where their mouth is when it comes to pivoting towards a changing economy, but it also creates all sorts of opportunities for Canada. Our economies are closely integrated. They're our biggest trading partner. Where they go, frankly, we have to consider going as well, or we get left behind. Whether it's rural Albertans, rural people from Saskatchewan, municipalities, or Alberta industry, we ignore the IRA at our own peril.

In the report with our blueprint for the economy in Alberta that we released last week, we pointed to the example of Peter Lougheed, probably our most respected former Alberta premier. I reminded people that back in the seventies, we were at a similar crossroads. We were running out of conventional oil and gas, and he understood that we had to find something else.

● (1235)

[*Translation*]

The Chair: Thank you, Mr. McGowan.

[*English*]

Mr. Gil McGowan: His suggestion was to pivot towards the oil sands and petrochemicals. He used a mix of public investment and regulation in the public interest to pivot us toward industries that have sustained us for 40 years.

The Chair: Thank you very much.

Mr. Gil McGowan: What we're saying is that at this moment, and especially in the context of the IRA—

The Chair: Thank you, Mr. McGowan.

Mr. Gil McGowan: —we need industrial policy to pivot us—

The Chair: Thank you—

Mr. Gil McGowan: and I think that's where we'll end up with this—

The Chair: I'm sorry. We're way over the time.

[*Translation*]

Mr. Lemire, you have the floor for six minutes.

Mr. Sébastien Lemire: Thank you, Mr. Chair.

Mr. McGowan, in light of your opening remarks, who do you think speaks for Albertans?

[*English*]

Mr. Gil McGowan: Who is speaking for Albertans? That's a great question. I think if we're honest with ourselves, we would say that no one person, no one group, and certainly no one party can speak for Albertans. We are, like any other region, a province of diversity—diversity of backgrounds, diversity of occupations and diversity of interests. I think it serves us well to recognize that. That's one of the things we like so much about the process suggested by this bill. It's that it would create a framework for all these diverse groups to bring their ideas to the table, whether it's labour, in my case, or the business community.

You know, the hostility that exists here in Ottawa and on the political stage is not reflective of what's actually happening off the political stage in Alberta. I don't know if you guys noticed this, but Bob and I, industry guy and labour guy, shook hands and exchanged pleasantries before we started here. We've actually worked closely together for years.

When the New Democrats were in power in Alberta, I was appointed as the co-chair with an industry co-chair of what we called the energy diversification advisory committee. Together—labour, business and municipalities—we sat down and mapped out a blueprint that led to many of the incentives that are creating the projects that Mr. Masterson talked about.

There's another Alberta out there, another western Canada out there, where people are chomping at the bit to come together and work together on creative solutions. If there is an impediment, it is those on the political stage who are trying to ramp up anger for political purposes. It's the Trump playbook, right? Get people angry.

This notion that voting for a particular party—

[*Translation*]

Mr. Sébastien Lemire: I'll take you back to my question, if I may.

[*English*]

Mr. Gil McGowan: —will save our economy is completely ridiculous.

[*Translation*]

Mr. Sébastien Lemire: I share many of the opinions you have stated, particularly the one about the urgent need to create a place for consultation and development where people can sit down and discuss matters.

I also recognize the essential role that civil society plays, particularly the trade union community, which you represent and which I welcome. However, I believe that elected representatives play a fundamental role in our democracy and also represent an opinion that is shared by the population.

In the context we are concerned with, Bill C-235, would you support diversifying Alberta's economy to allow it to benefit from emerging economies? Consequently, why should we favour a top-down approach, as many witnesses have argued since the beginning of our study?

[*English*]

Mr. Bob Masterson: Listen, I think one of the things I'm hearing here is a sense of distrust, and there's a reasonable reason for some of that. When I think of the investments that our sector has proposed in battery chemicals in Quebec, for instance, every one of the projects has been supported by the federal government. When I think of the automotive investments in Ontario, every major project has been supported by the Government of Canada.

Alberta has set a strategy. We've tried for seven years to get the federal government to go back to the work that Gil's team did under the NDP six years ago now. We tried to get the federal government to understand that this is in everybody's interests and that it has broad-based support. The answer largely has been, “We'll look at opportunities on a case-by-case basis, but don't hold your breath”, so I can understand why the distrust is there.

Look, we have an organization called “PrairiesCan”. They spend money. They set priorities. This is a chance for Parliament to have a deeper dive into the long-term direction of that activity. Where should we be spending money?

The question was, “Shouldn't this bill apply everywhere?” Well, we have economic development agencies everywhere. I would just say that I think there's a bigger disconnect between the Government of Canada, PrairiesCan and the priorities of the Province of Alberta in particular—if not Saskatchewan—than we would see in other parts of the country. It's not for me to say “consultation”, but that's the opportunity this bill provides. It's to better align what the province has already done through successive governments to set low-carbon priorities, diversify the economy and create new industries, and to get Ottawa to understand that and consider it on an equal footing, as it does with battery chemicals in Quebec and the e-transformation of the automotive sector in Ontario. That's the opportunity here today.

● (1240)

[*Translation*]

Mr. Sébastien Lemire: Everyone agrees on the importance of diversifying the Prairie economy and, in particular, making the energy transition to electrification of transportation and recognizing the importance of solar, geothermal and wind energy, among others.

However, why does the federal government have to be the one to impose consultation, when the initiative to launch a consultation could emerge from Alberta and the process could be done more on a regional scale than under federal control?

[*English*]

Mr. Bob Masterson: What are people interested in? If we look around this room, 95% of everything that's in this room—95% of all finished goods—is made with the business of chemistry.

Again, there are five pathways that decarbonize the sector. They're all present in Alberta, and they're all being explored. Should that not be in Ottawa's interest to pursue that?

We're debating different things here, but I think Mr. McGowan said it well. You have good alignment between the people at the mine face who are trying to make this activity happen. They know what can be done, they know what could be done and they know what should be done, so it's a question of how we get our governments aligned to make that happen.

[*Translation*]

Mr. Sébastien Lemire: Thank you.

[*English*]

The Chair: Thank you.

Mr. Masse, you have six minutes.

Mr. Brian Masse: Thank you, Mr. Chair.

Thank you to our witnesses for being here. This panel has been really interesting, because it's different from what we've heard before.

Here are the choices we have. We could send the bill back for the House of Commons to vote on with a recommendation to do nothing. We could send the bill back to the House of Commons with amendments for the House to decide on, or we could add some recommendations if we wanted to study something instead of doing the bill. We can decide what we want to do, but we have to make decisions.

I want to start with you, Ms. Heron, to make sure that you're not left out virtually. Then I'll move to our panellists here.

Do you support the bill with the amendments that you've suggested? There were some other amendments by Mr. Carr as well. Is your position that you support the bill with the amendments? Yours and Mr. Carr's were to add the minister of agriculture and to change it from 18 months to 12 months. I believe those were the two of significance.

Ms. Cathy Heron: I'll state right now that this is my personal opinion and I don't have the authority to speak for my association, but yes, with my amendments, I do believe we would support it.

To the previous question about a top-down approach, I see this more as a bottom-up, top-down and meet-in-the-middle kind of approach. I think this is an important conversation that puts Alberta, Saskatchewan and Manitoba in a position to steer those kinds of grassroots green economy decisions with the support of the federal government. The other direction would be the federal government imposing restrictions, and this seems to be proposing enabling legislation.

With those amendments.... Actually, it would be my hope that your committee would propose some amendments.

Mr. Brian Masse: Thank you, Ms. Heron.

I'll go to Mr. Masterson and then to Mr. McGowan.

Mr. Bob Masterson: If you are going to do this bill, I certainly propose and support the idea of 12 months. At 18 months in today's world, you might as well not do it at all, especially when we look at what's happened with the Inflation Reduction Act in the U.S. If you're going to do it, do it promptly and do it well.

Again, I don't have an opinion. It's your business as to whether you move ahead. I'm saying that there is a disconnect with the on-the-ground activity that has the potential to generate wealth for generations of Canadians and to deliver low-carbon products around the world. There's a missing link. The link is the attention and alignment from the Government of Canada that are not fully there.

Mr. Brian Masse: Your position is—

Mr. Bob Masterson: Is this bill going to do it alone? No, but—

Mr. Brian Masse: No, no, I didn't ask that. I asked whether you're supporting the bill or not.

Mr. Bob Masterson: Yes, we support the nature.... In general we support what's here; the specifics—

Mr. Brian Masse: Okay, thank you. I appreciate that. I'm not trying to put you on the spot, either. I'm just trying to clarify. We've had other....

Go ahead, Mr. McGowan, please. The floor is yours.

• (1245)

Mr. Gil McGowan: As I said at the outset, we support this bill because it would create a platform for alternative voices to be heard in a way that perhaps they have not been so far. If there were any changes that I would propose, they would be very minor.

One point that Mayor Heron mentioned in her opening remarks, which I would reiterate and support, is that we feel a little uncomfortable with the language about retraining energy workers. That's actually not the issue. Most of our members who work in oil and gas or in oil and gas-related construction have skills that are transferable; the issue is to create economic opportunities for them to put those skills to use. If you're an electrician working in the oil sands, or a pipefitter or a boilermaker, you're not stuck in the oil and gas sector. You can build whatever industrial projects are available. We've seen that with all the work in the industrial heartland.

One thing I noticed in the report and the discussion around it is that it didn't emphasize some of the big industrial opportunities that are ahead of us in the unfolding global energy transition. In particular, experts in our provinces say that we're going to have to at least triple the size of our electric grid. As we point out in our blueprint that we released last week, that's a huge investment and jobs opportunity, with billions of dollars in investment and thousands of jobs created. We'd like to see that reflected.

The final point—

Mr. Brian Masse: Be real quick, though, because I'm running out of time and I have one last important question.

Mr. Gil McGowan: Yes.

The final point is that there should be a mention of metrics in the bill. We'd like to have a metric of good jobs as a metric that is discussed in all economic development-related issues in the report.

Mr. Brian Masse: Okay.

I'm going to go back around for quick answers.

One thing that gives me discomfort about this bill is that it has no first nations consultation or support, or at least nothing has come in to my office. This is giving me a lot of discomfort, because what we're doing here is that instead of going to them first, we're coming to them with a plan and then saying later on, “We'll consult you after the fact.” Does this give you some concern?

That consultation could come before this bill is passed in the House of Commons or voted on. It could come from those groups and organizations.

For the record, Mr. McGowan, Mr. Masterson and Ms. Heron, would you prefer to see some type of engagement with first nations prior to this vote? Be really quick, please.

Mr. Gil McGowan: The short answer is “no”, but only because of the short timelines and also because this bill is about consultation. I think if this bill is passed, it will create a framework for consultation that consultation should include all the stakeholders, including the indigenous community. The conversation, if we're going to have it at all, needs to happen quickly. I would hate for us to miss this opportunity by spending months consulting on whether we should consult.

Mr. Bob Masterson: I would defer to Justice Canada and whatever the Crown's duty to consult is. This is a very important issue. If it's done wrong, you put us back to square one.

Mr. Brian Masse: That's a fair point.

Mr. Bob Masterson: Tick the boxes first and move forward with purpose.

Mr. Brian Masse: That's a good suggestion too.

Go ahead, Ms. Heron.

Ms. Cathy Heron: I don't know the timelines on how this works in Ottawa. I would note that municipalities were not invited to consult in the framework, yet here I am, so I don't see any problem with getting some of the indigenous communities in front of you as quickly as possible. I have a feeling from the west and from my extensive involvement with them that they would be very supportive.

Mr. Brian Masse: Thank you so much.

Thank you, Mr. Chair.

[*Translation*]

The Chair: Mr. Williams, you have the floor for five minutes.

[*English*]

Mr. Ryan Williams (Bay of Quinte, CPC): Thank you very much, Mr. Chair.

I'm certainly enjoying the discussion on this bill. There have been quite a few great things said. I really want to get to the meat of this, which is embracing next opportunities. We're really on the same page on some of this. I think all parties want to support workers. All parties want to embrace next opportunities.

Mr. Masterson, I think you hit the nail on the head when you talked specifically about investment. What we're trying to get a handle on here is investment and support for workers in the industries and what's next. That's the biggest part of this whole bill. We haven't really talked too much about it. We're talking more about the framework instead of what's really important: What do we need to support industries and workers in the Prairies and across Canada?

Mr. Masterson, I'll start with a broad question. What has investment as a whole been in your industry in the last five years as compared with the U.S.?

● (1250)

Mr. Bob Masterson: Well, a decade is a better number. In the last decade, half of all manufacturing investment, something north of $400 billion, has gone into the U.S. chemistry industry. In Canada, we have two very important projects, one in the heartland area, but it's about $7-$10 billion in the last decade, and that's before the Inflation Reduction Act. I'd love the opportunity to talk a bit more about that.

Mr. Ryan Williams: That's fair. We probably will. That's 40 times more investment in the U.S. than in Canada.

Mr. Bob Masterson: Correct.

Mr. Ryan Williams: It's a little bit more than that.

Let's talk about investment policy. You talked about it in the beginning, so if you want to reference the Inflation Reduction Act, what recommendations are you going to make for an investment policy?

Mr. Bob Masterson: Let's talk about what's changed in Alberta. Why did we go from one project worth less than $5 billion—well, there were two. One's currently on hold and not moving ahead. One that's near completion is about $5 billion, but now we suddenly have $30 billion.

What most of the American states try to do to attract investment is they provide the signals—the carrots—through the tax code. It's not left to a political decision whether or not a company is eligible for those incentives to go ahead. What happened previously in Alberta, although the government did provide the opportunity, and what happens with the federal government is that it's done on a case-by-case basis.

What's happened now in Alberta with phase two of what was its petrochemicals diversification program and is now the petrochemicals incentive program is that if you qualify, you are eligible for a 12% grant for the value of your project, period. There's no political decision. There's no minister you have to lobby to sign off on it.

For instance, specifically with regard to the carbon capture, utilization, and storage tax credit—the ITC here in Canada—first of all, the level was not at par with what was already in the 45Q in the U.S. It was a much more narrow definition of eligible equipment. That has now expanded greatly in the U.S. It's worth at least double what ours is.

But here's the thing: If you're eligible in the U.S., you go to your shareholders and say, “I'm eligible for this tax credit.” You can build 100% of that tax credit into your business plan. What's proposed under the credit today, under consultation, is that it's left to a decision by the Minister of Environment and the Minister of Natural Resources. I'm going to my board, representing my shareholders, and saying, “Hey, there's a great opportunity here in Canada.” How much do I have to discount the eligibility for that tax credit in Canada? It's 100% in the U.S. I don't know what the number is in Canada. Is it 50%, 80%, or 20%? I don't know, but I can tell you one thing: If you're going for ministerial approval, it's not 100%.

That would be a clear example of how we have to do things differently. Alberta has shown that if you do it through a tax credit, through the tax code, it's transparent and it's not a political decision, and people will run to what we have to offer in Canada. If you leave these things up to a political decision, they will take the decision south of the border, and again, as we said repeatedly, the Inflation Reduction Act changes the game tremendously from where we were even six months ago.

Mr. Ryan Williams: I have one last question with the time I have left.

To compete with the U.S. we have to be innovative and competitive. The U.S. Department of Energy has what's called the Energy Earthshots initiative, and it's putting targets on specifics that make the U.S. more competitive. For instance, it has a carbon negative shot, which is going to make carbon capture less than $100 per tonne. The industrial heat shot will make carbon capture technologies 85% cheaper than they are now.

Do we have anything like that happening in Canada right now?

Mr. Bob Masterson: Part of the idea behind the investment tax credit for carbon capture is that it will stimulate some of that activity, but what we have in Canada right now is less than a 42% return on the cost of capital—not even a return, but a reduction in the cost of capital—whereas what the Americans have done with the Inflation Reduction Act is that if you're proposing to do a major carbon capture project, you will not only recoup your cost but make a profit.

It's not just about capturing carbon from your activities and storing it in the ground; they're also providing a very significant tax credit for what they call air capture, taking CO2 out of the air. Again, the terms are so appropriate that it's not a question of minimizing your costs; you're actually turning it into a defensible business decision. You're going to do it because there's a return for your shareholders.

That's not the case in Canada. We're at well less than half. Even if we had a 100% guarantee that if you qualify, you would get the credit, we're at less than half of what's on the table in the U.S.

● (1255)

Mr. Ryan Williams: Thank you, Chair.

The Chair: Thank you very much.

We'll move to MP Gaheer for five minutes.

Mr. Iqwinder Gaheer (Mississauga—Malton, Lib.): Thank you, Chair, and thank you to the witnesses for making time.

My questions are largely for Mr. McGowan. I wanted to clarify earlier testimony that was made in response to a question posed by MP Masse. If you look at proposed subclause 3(2), it says:

> In developing the framework, the Minister must consult with provincial government representatives responsible for transportation, environment and employment, and with Indigenous governing bodies...

It seems to me, Mr. McGowan, that the bill already includes consultation with indigenous governing bodies. Would you agree with that?

Mr. Gil McGowan: I would, and that's why I was less concerned about the question.

Mr. Iqwinder Gaheer: Great. I just wanted to get that out of the way.

The bill makes several mentions of ministers: the Minister of Environment, the Minister of Transport, the Minister of Finance, the Minister of Natural Resources, and any minister responsible for economic development in the prairie provinces.

Would you support the idea that a single minister should be in charge and that it should be the minister responsible for PrairiesCan?

Mr. Gil McGowan: I'm not sure I have a strong opinion on that. However, I am worried that in order for this to be successful, it probably should be under the responsibility of a single minister. Otherwise, all the effort may be dissipated among too many ministries and bureaucrats.

Mr. Iqwinder Gaheer: Thank you.

Do you think the Prairies need a bill to encourage collaboration among the various government and non-government stakeholders? As well, based on your testimony so far, with the gridlock and agitated approach to governance, do you think this bill could help facilitate getting past that gridlock?

Mr. Gil McGowan: I think it's apparent, on its face, that we need efforts to bring all the different stakeholders in the Prairies together for constructive discussions, including provincial governance. We don't have an organized framework to bring those stakeholders together, especially across provinces, and I think you've seen the result. It's bickering, name-calling and finger pointing.

I'm not sure whether the process contemplated by this bill will deal with that entirely, but it couldn't hurt. I think it is a very constructive suggestion from Mr. Carr. If implemented, it would help us to at least start the conversation among various stakeholders in the Prairies that have been stopped, so far, by politics and angry finger pointing.

Mr. Iqwinder Gaheer: I have one more question.

When provinces hear about federal bills, they often think about more red tape. When I read the bill, I don't see more red tape. What are your views on that?

Mr. Gil McGowan: In my mind, it boils down to the fact that this bill is creating a table where people can talk. Given the state of debate on issues related to the unfolding global energy transition and how we should respond to it, it's clear we need more opportunities to talk. Ffor that reason, I'm actually kind of baffled why anyone would be opposed to this bill.

Mr. Iqwinder Gaheer: Thank you.

[*Translation*]

The Chair: Thank you very much.

Mr. Lemire, you have the floor for two minutes.

Mr. Sébastien Lemire: Thank you, Mr. Chair.

Today we have some people from the space industry visiting us. So, as agreed, I'm going to give you notice of a motion that will be emailed to you shortly.

This motion provides that, pursuant to Standing Order 108(2), the committee undertake a study on the space industry, and examine strategic, political and economic opportunities related to the development of this industry. The motion also calls for the committee to examine different legislative approaches around the world, and leadership initiatives put forward by foreign powers; and to examine not only the impacts on cross-cutting issues such as security and sovereignty, but also the support and development of this industry, as well as the relevance of establishing a space policy. The motion finally requests that the testimony and documents already gathered by the committee during the 43rd Parliament on this subject be considered.

I am not asking that this motion be adopted today, but that it be placed on the agenda of a future meeting.

Thank you.

The Chair: Thank you very much, Mr. Lemire.

You still have time to ask questions.

Mr. Sébastien Lemire: Given the time, I will yield the floor to my colleague Mr. Masse.

Thank you.

The Chair: Thank you.

Mr. Masse, the floor is yours.

● (1300)

[*English*]

Mr. Brian Masse: Thank you, Mr. Chair.

Thank you to my colleague.

I'm going to wrap up too, because I know the time and we have interpreters who are....

I want to be clear, though: Consultation with first nations is in the bill. Mr. Carr did put that in the bill. It's clearly there. The issue I'm trying to figure out is this one: We've now told them how they're going to be consulted, as opposed to asking them first if they even support or like the bill. Hopefully, we'll hear that from different groups and organizations in the coming days, because they've been told that this is the process. That gives me a bit of concern about the sensitivity of it.

I understand, Mr. McGowan, your position, as well. This place does move at glacier speed. It is something. Perhaps we'll hear more from people. Also, I didn't want to insinuate that Mr. Carr didn't put consultation in his bill.

Thank you. Thank you to the witnesses today.

[*Translation*]

The Chair: Mr. Masse, thank you for the clarification.

I thank all the witnesses for taking the time to come and meet with our committee. It's much appreciated.

[*English*]

Thanks to all of you, colleagues. I wish you a good afternoon.

This meeting is adjourned.

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