



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

AN EVEN GREENER GOVERNMENT: IMPROVING THE GREENING GOVERNMENT STRATEGY TO MAXIMIZE ITS IMPACT

**Report of the Standing Committee on Government
Operations and Estimates**

Tom Lukiwski, Chair

**JUNE 2019
42nd PARLIAMENT, 1st SESSION**

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

SPEAKER'S PERMISSION

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

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

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

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

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

**AN EVEN GREENER GOVERNMENT: IMPROVING
THE GREENING GOVERNMENT STRATEGY TO
MAXIMIZE ITS IMPACT**

**Report of the Standing Committee on
Government Operations and Estimates**

**Tom Lukiwski
Chair**

JUNE 2019

42nd PARLIAMENT, 1st SESSION

NOTICE TO READER

Reports from committee presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

STANDING COMMITTEE ON GOVERNMENT OPERATIONS AND ESTIMATES

CHAIR

Tom Lukiwski

VICE-CHAIRS

Yasmin Ratansi

Daniel Blaikie

MEMBERS

G rard Deltell

Francis Drouin

Greg Fergus (Parliamentary Secretary — Non-Voting Member)

Majid Jowhari

Steven MacKinnon (Parliamentary Secretary — Non-Voting Member)

Kelly McCauley

Alexandra Mend s

Kyle Peterson

Jean Yip

OTHER MEMBERS OF PARLIAMENT WHO PARTICIPATED

Pierre Breton

Randell Garrison

Hon. Kent Hehr

Hon. Joyce Murray

Hon. Rob Nicholson

CLERK OF THE COMMITTEE

Paul Cardegna

LIBRARY OF PARLIAMENT

Parliamentary Information and Research Service

Raphaëlle Deraspe, Analyst

Billy Joe Siekierski, Analyst

In collaboration with:

Thomas Stow, Student

THE STANDING COMMITTEE ON GOVERNMENT OPERATIONS AND ESTIMATES

has the honour to present its

EIGHTEENTH REPORT

Pursuant to its mandate under Standing Order 108(2) and the motion adopted by the Committee on Thursday, September 20, 2018, the Committee has studied the Greening Government Strategy and has agreed to report the following:

TABLE OF CONTENTS

SUMMARY.....	1
LIST OF RECOMMENDATIONS	3
AN EVEN GREENER GOVERNMENT: IMPROVING THE GREENING GOVERNMENT STRATEGY TO MAXIMIZE ITS IMPACT	7
Introduction.....	7
Chapter 1: Moving Toward Carbon-Neutral Federal Buildings.....	9
1.1 Overview.....	9
1.2 Energy Services Acquisition Program	13
1.3 Building Standards and Retrofits.....	14
1.4 Committee Observations and Recommendations	16
Chapter 2: A Smart Approach to Climate Change Adaptation.....	18
2.1 Overview.....	18
2.2 Applying a SMART Framework.....	19
2.3 Committee Observations and Recommendations	20
Chapter 3: Buying Things Differently	22
3.1 Green Procurement Policies.....	22
3.2 Demonstration Opportunities	23
3.3 Observations from International Witnesses.....	24
3.4 Charlevoix G7 Summit	26
3.5 Green Procurement Training.....	27
3.6 Committee Observations and Recommendations	28
Chapter 4: Low-Carbon Fleets and Travel	30
4.1 Commitments Made and Progress to Date	30
4.2 Committee Observations and Recommendations	33
Chapter 5: Consistent Reporting	34

5.1 Reconciling the Federal Sustainable Development Strategy and the Greening Government Strategy	34
5.2 Committee Observations and Recommendations	36
Conclusion	37
APPENDIX A LIST OF WITNESSES	39
APPENDIX B LIST OF BRIEFS.....	43
REQUEST FOR GOVERNMENT RESPONSE	45
SUPPLEMENTARY OPINION OF THE CONSERVATIVE PARTY OF CANADA	47

SUMMARY

In the late fall of 2018, the House of Commons Standing Committee on Government Operations and Estimates (the Committee) undertook a study of the Greening Government Strategy—the federal government’s then less than one-year-old plan for reducing Greenhouse Gas (GHG) emissions from its operations. Between November 2018 and April 2019, the Committee held five meetings and heard from 27 witnesses, some of whom also provided written briefs.

This report of the Committee’s study examines the Greening Government Strategy’s commitments, which largely fit into five categories (real property, mobility and fleets, green procurement, adaptation to climate change, and oversight and performance measurement), and the federal government’s early successes and challenges in meeting those commitments.

The Committee determined that not all parts of the Greening Government Strategy had objectives that were specific and measurable and, in some cases, federal officials were bypassing green procurement requirements. The Committee believes more can be done to support Canadian small and medium-sized enterprises by showcasing their clean technology products and services through the greening efforts of federal operations.

The Committee makes 13 recommendations in this report, several of which address the above-mentioned challenges by proposing that:

- the Government of Canada include specific, measurable, achievable, realistic, and timely objectives throughout the entire Greening Government Strategy, and add specific targets to the Strategy’s adaptation to climate change, oversight and performance measurement sections; and
- the Government of Canada provide additional opportunities to small and medium-sized enterprises in the clean technology sector to demonstrate their products.

In December 2019, the Greening Government Strategy will have existed for only two years. As of March 2018, the federal government had reduced its GHG emissions by 32% relative to 2005 levels and achieved a 4% improvement from fiscal year 2016 to 2017. Much remains to be done to reach the Strategy’s marquee target of an 80% reduction by 2050, relative to 2005 levels—particularly when it comes to the federal government’s

real property portfolio, which accounts for almost 90% of its emissions—but this report provides numerous examples of the work that is underway.

LIST OF RECOMMENDATIONS

As a result of their deliberations committees may make recommendations which they include in their reports for the consideration of the House of Commons or the Government. Recommendations related to this study are listed below.

Recommendation 1

That the Government of Canada ensure, going forward, that its building leases contain consistent green lease clauses in line with those developed by the federal, provincial, and territorial real estate working group. 17

Recommendation 2

That Public Services and Procurement Canada release its analysis of the estimated Greenhouse Gas emissions reduction that will arise from the Energy Services Acquisition Program so as to enable its findings to be scrutinized, and report annually on the emissions that have been reduced through the Program. 17

Recommendation 3

That the Government of Canada consider implementing a LEED Gold or Platinum policy for retrofits of its buildings; consider adopting the Green Building Council's TRUE (Total Resource Utilization and Efficiency) waste standard for its buildings; and expand, where feasible, its participation in the BOMA BEST program..... 17

Recommendation 4

That the Government of Canada explore the possibility of increasing on-site renewable energy production..... 17

Recommendation 5

That the Treasury Board of Canada Secretariat include SMART (specific, measurable, achievable, realistic, timely) objectives throughout the entire Greening Government Strategy and add specific targets to the strategy's adaptation to climate change and oversight and performance measurement sections..... 21

Recommendation 6

That the Government of Canada act on the recommendations that address climate change adaptation in the Commissioner of the Environment and Sustainable Development’s 2017 fall report and, where possible, integrate them into the Greening Government Strategy. 21

Recommendation 7

That the Government of Canada study the feasibility of establishing a procurement quota, similar to Finland’s, for clean technology products from small and medium-sized Canadian companies. 29

Recommendation 8

That the Government of Canada provide additional opportunities to Canadian clean technology small and medium-sized enterprises to demonstrate their products..... 29

Recommendation 9

That the Government of Canada continue to explore the possibility of using outcomes-based procurement in the future and consider an approach similar to the United Kingdom's Commissioning Academy. 29

Recommendation 10

That the Centre for Greening Government report all Greenhouse Gas emissions from air travel by public service employees starting in fiscal year 2020–2021 and summarize the actions departments and agencies have been taking to promote lower-carbon alternatives to air travel, such as teleconferencing and videoconferencing..... 33

Recommendation 11

That the Government of Canada set targets for the reduction of Greenhouse Gas emissions from air travel by public service employees..... 33

Recommendation 12

That, in addition to reporting in their Departmental Sustainable Development Strategies, the Treasury Board of Canada Secretariat require that all federal departments and agencies subject to the Greening Government Strategy include the Strategy's targets in their Departmental Plans and report on their progress in their Departmental Results Reports. 36

Recommendation 13

That all Crown Corporations meet the requirements of the Greening Government Strategy. 36



AN EVEN GREENER GOVERNMENT: IMPROVING THE GREENING GOVERNMENT STRATEGY TO MAXIMIZE ITS IMPACT

INTRODUCTION

“The role of the centre for greening government is to coordinate the efforts to get to the results in the greening government strategy. We developed the strategy. Our job is now to implement it with our colleague departments.”

[Nick Xenos](#), Executive Director, Centre for Greening Government,
Treasury Board of Canada Secretariat, 6 November 2018

On 20 September 2018, the House of Commons Standing Committee on Government Operations and Estimates (The Committee) adopted a [motion](#) to study the Government of Canada’s [Greening Government Strategy](#). Between November 2018 and April 2019, the Committee held five meetings and heard from 27 witnesses, including representatives of federal departments, industry associations, foreign governments, and the Commissioner of the Environment and Sustainable Development. The full list of witnesses can be found in Appendix A, while the list of submitted briefs is presented in Appendix B.

On 19 December 2017, the federal government released its Greening Government Strategy. The Strategy was introduced to align with domestic and international commitments, including those found in the Pan-Canadian Framework for Clean Growth and Climate Change and the Paris Agreement on Climate Change, which committed Canada to reducing its greenhouse gas emissions (GHG) by 30% below 2005 levels by 2030.

The Strategy’s emission goals are more ambitious than the Paris Agreement targets, as they commit to reducing emissions from government operations by 40% below 2005 levels by 2030 and by 80% below 2005 levels by 2050. The Strategy is being implemented by the Centre for Greening Government, housed within the Treasury Board of Canada Secretariat.



The Greening Government Strategy established a number of specific commitments that build on the progress that followed the coming into force of the 2008 *Federal Sustainable Development Act*. These commitments largely fit into five categories (real property, mobility and fleets, green procurement, adaptation to climate change, and oversight and performance measurement), and some of the most notable ones include:

- Using 100% clean electricity for government operations by 2025;
- Ensuring 75% of new light-duty administrative fleet vehicle purchases are zero-emission or hybrid vehicles starting in 2019-2020, with the goal of reaching 80% zero-emission vehicles by 2030;
- Ensuring new government buildings are net-zero carbon ready or moving toward that goal (energy consumption is reduced to the point where non-carbon-based fuels can be used to meet a building's energy needs);
- Diverting 75% of federal operational waste, and 90% of construction waste by 2030;
- Incorporating climate-resilient design and delivery into all major real property projects and;
- Integrating sustainability and life-cycle assessment principles into procurement policies and practices.

On 7 December 2018, the Centre for Greening Government released the latest annual data from its Greenhouse Gas Emissions Inventory. The data showed that the Government of Canada had reduced emissions from its operations by 32% relative to 2005 levels, and achieved a 4% improvement from fiscal year 2016 to 2017.¹

1 Treasury Board of Canada Secretariat, "[Canada announces reductions in emissions during COP24](#)," News release, 7 December 2018.

CHAPTER 1: MOVING TOWARD CARBON-NEUTRAL FEDERAL BUILDINGS

“Buildings are significant emitters of greenhouse gases, contributing 23 percent of GHG emissions in Canada. As providers of office accommodation to the Government of Canada and as a major provider of real property services to other government custodians—about \$1.88 billion in operations in 2017-18—PSPC is in a unique position to both influence and have a direct impact on the greening of government operations and the reduction of GHG emissions by the federal government.”

Kevin Radford, Assistant Deputy Minister, Real Property Services,
Public Services and Procurement Canada, 6 November 2018

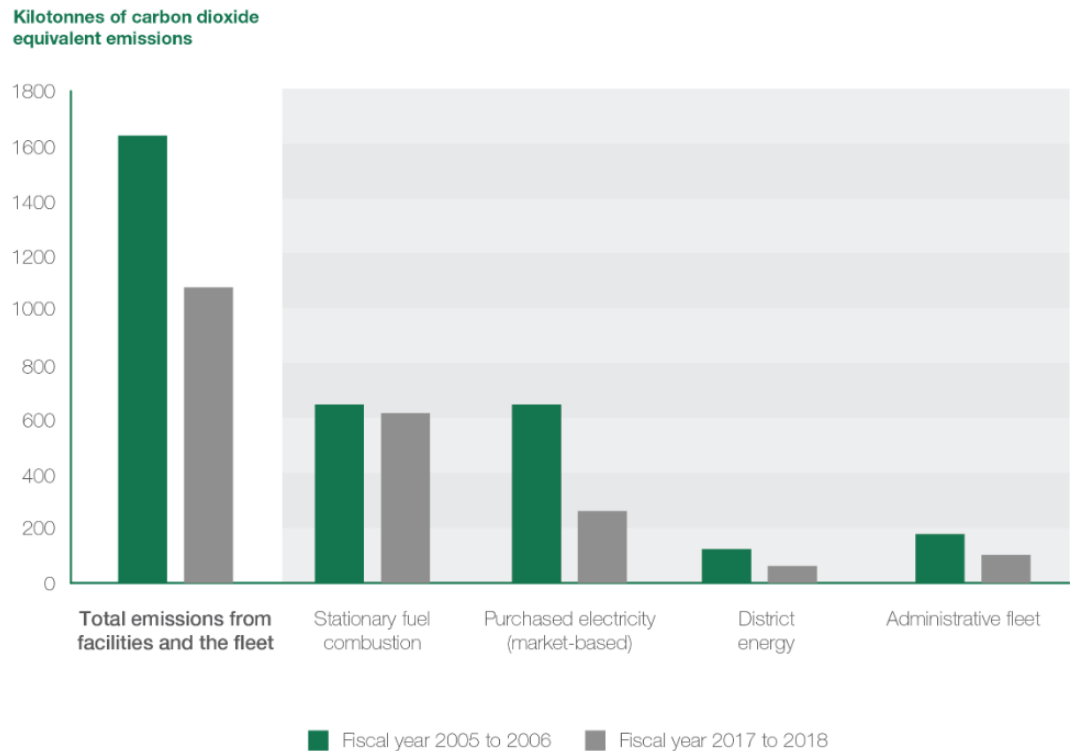
1.1 Overview

Data from the Treasury Board of Canada Secretariat’s [Directory of Federal Real Property](#) show that the federal government, as of 3 May 2019, had 20,007 owned and leased properties, 36,422 buildings, and 27,268,547 square metres of floor space. This real estate portfolio, according to the Centre for Greening Government, generated **89%** of federal government GHG emissions in 2017-2018, making reducing the emissions it produces essential to achieving the federal government’s overall reduction target.

As seen in Figure 1, a majority of real property emissions are attributed to the heating and cooling of government buildings, with stationary fuel combustion, such as boilers, furnaces, and generators, accounting for 65% of GHG emissions in 2017-2018 and conventional grid-tied electricity accounting for an additional 25%.



Figure 1—Greenhouse gas emissions from federal facilities by source for fiscal years 2005 to 2006 and 2017 to 2018



Source: [Government of Canada’s Greenhouse Gas Emissions Inventory](#).

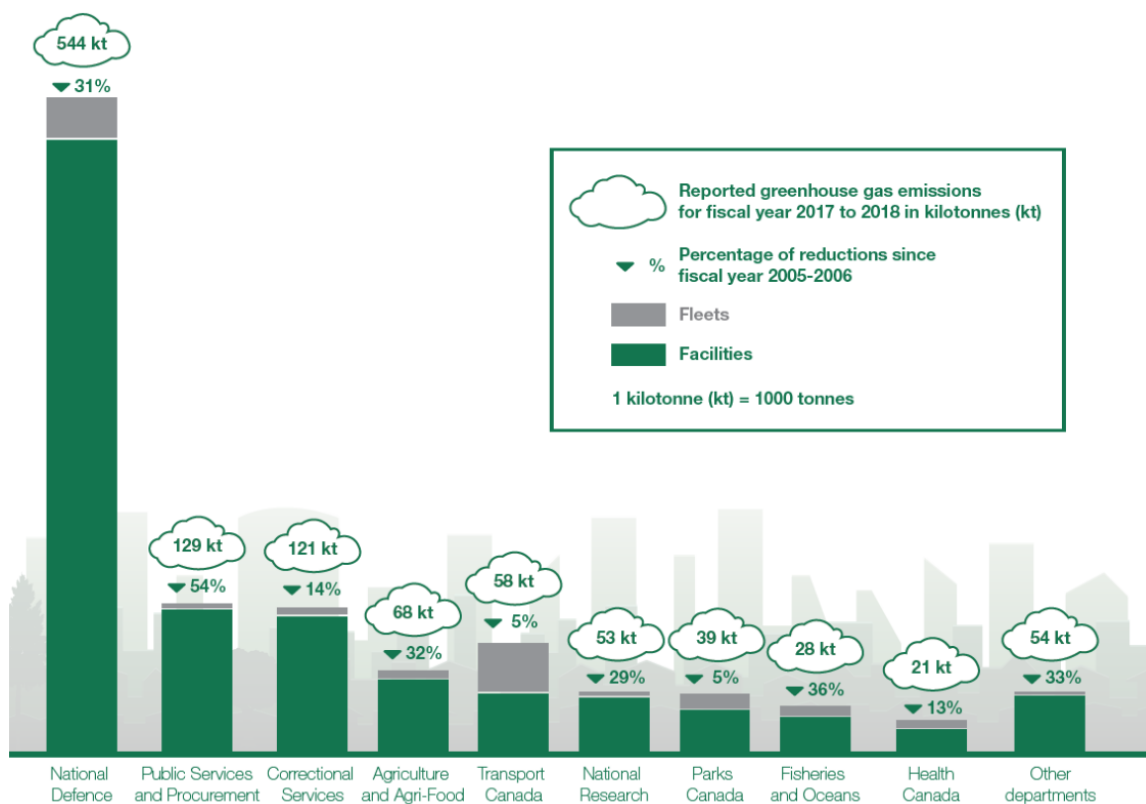
Additionally, a regional breakdown of the Centre’s data shows that federal facilities in certain provinces, such as Alberta and Nova Scotia, contribute a disproportionate amount of emissions to the government’s total because of their reliance on electricity sourced from carbon-intensive fuels.

Nick Xenos, the Executive Director of the Centre for Greening Government, addressed both those issues in his two appearances before the Committee. [He](#) said that the commitment to use 100% clean energy for federal government operations by 2025 would have the biggest impact on reducing government emissions, and added that the government’s approach is to go jurisdiction by jurisdiction or province by province. “Already 80% of our electricity created is low carbon, so we’re looking at the delta, the 20% or so that isn’t, in jurisdictions that have higher carbon electricity grids,” [he](#) added.

In 2017-2018, six departments and agencies (Department of National Defence, Public Services and Procurement Canada, Correctional Service Canada, Agriculture and Agri-Food Canada, Transport Canada, and National Research Council Canada) generated 87%

of the federal government’s emissions. As seen in Figure 2, however, the Department of National Defence (DND) was by far the largest emitter. It produced 544 kilotonnes of emissions in 2017-2018—well over four times more than Public Services and Procurement Canada (PSPC)—the second largest emitter. In the United States, the Department of Defense and the military services similarly account for most of the U.S. government’s energy use, Nancy Sutley, who served as the chair of the White House council on environmental quality from 2009 to 2014, told the Committee. She added, though, that they have made great strides in converting to renewable energy sources on military bases.

Figure 2—Greenhouse gas emissions by federal organization in fiscal year 2017 to 2018 and the percentage change in emissions compared with fiscal year 2005-2006



Source: [Government of Canada’s Greenhouse Gas Emissions Inventory](#).

“Military bases worked with third parties to develop renewable energy projects to provide power for bases. In addition to the environmental benefits of these projects, they provide resiliency for the base and its critical infrastructure in the event of a disruption to the electricity grid,” Ms. Sutley said.



As an example, she pointed to the Fort Irwin military base in California. In 2009, the U.S. Army Corps of Engineers signed a US\$2 billion agreement with a joint venture to build a 500-megawatt solar energy complex. Through an Enhanced Use Lease agreement, the Army agreed to lease 14,000 acres to the venture, which is producing energy and providing maintenance to the base in exchange for the right to sell excess electricity on the commercial grid.²

Some of DND's emissions, along with those of the Royal Canadian Mounted Police (RCMP) and the coast guard, are exempt from the Greening Government Strategy targets for national security reasons, Mr. Xenos explained. But [he](#) nonetheless highlighted several comparable examples of DND progress in reducing its emissions: the purchase of renewable energy in Alberta³, for example—which, according to a departmental news release, has resulted in 90% of the department's energy consumption in the province coming from clean energy sources—and the hiring of energy managers for its major bases.

Similarly, [Kevin Radford](#)—Assistant Deputy Minister, Real Property Services at PSPC, which provides office accommodation to the federal government, told the Committee that the department has already implemented numerous initiatives to lower energy consumption and emissions in its buildings. Those initiatives include: new alternative working arrangements to maximize space usage (GCworkplace), 340 energy-efficiency and GHG-reduction projects approved and being implemented across the country, and a smart buildings initiative, that uses real-time data analytics to reduce energy use. In addition, PSPC is trying to reduce emissions from its significant portfolio of leased properties by inserting green lease clauses into its lease agreements. To that end, [Mr. Radford](#) added, PSPC has struck a federal, provincial, and territorial real estate working group to develop consistent green lease clauses.

Overall, [Mr. Radford](#) emphasized that PSPC has already exceeded its Greening Government Strategy target of a 40% GHG emissions reduction by 2030 and hopes to surpass the 2050 target of an 80% reduction by achieving a carbon-neutral portfolio.

Moving forward, [he](#) said the department will focus on fuel and energy switching, meaning a transition to cleaner fuel sources and on-site renewable energy generation. “In provinces such as Quebec, Manitoba and British Columbia, the switch from natural gas to hydro electricity for certain energy needs is a potential easy win. In other areas,

2 Defense Industry Daily, “[Baking in the Mojave Sun: U.S. Army award \\$2B Fort Irwin Solar Farm Project](#),” 15 October 2009.

3 Department of National Defence, “[Government of Canada Awards Clean Energy Electricity Contract in Alberta](#),” News release, 17 March 2017.

such as Nova Scotia, Alberta and Saskatchewan, we will look at options for switching from traditional fossil fuels to cleaner alternatives such as on-site renewables,” Mr. Radford said.

It is in the National Capital Region, however, where 41.5% of Canada’s public servants reside⁴, that [he](#) said there is some of the greatest potential to reduce emissions from federal buildings.

1.2 Energy Services Acquisition Program

[Mr. Radford](#) highlighted the reductions that are expected to result from the modernization of the district energy system under the Energy Services Acquisition Program. Under the federal government’s Energy Services Acquisition Program, which is administered by PSPC, it is in the process of transforming the district energy system that connects five heating and cooling plants to over 80 federal and non-federal buildings in the National Capital Region.⁵

The first stage of the modernization program involves converting the district energy system from steam to low-temperature hot water and electric chillers, and using smart buildings technology to improve energy efficiency, while the second stage involves replacing natural gas with carbon-neutral fuel sources starting in 2025.⁶ The federal government estimates that stage one alone will reduce emissions from the district energy system by 63%, and that stage two will reduce emissions by an additional 28%.

On 16 March 2018, the federal government announced, following a Request for Qualifications, that two consortia—Innovate Energy and Rideau Energy Partners—had been successfully pre-qualified to compete for the contract to modernize the district energy system, with the aim of having a public-private partnership in place in the spring of 2019.⁷ On 4 June 2019, the federal government awarded the \$2.6 billion contract to Innovate Energy.⁸

4 Government of Canada, [Demographic Snapshot of Canada’s Public Service, 2016](#).

5 A district energy system is a network of underground pipes that connects to a central plant or plants and allows buildings to be heated and cooled collectively.

6 Government of Canada, [“Low carbon in the National Capital Region’s buildings.”](#)

7 Public Services and Procurement Canada, [“Government of Canada pre-qualifies two companies for Energy Services Acquisition Program,”](#) News Release, 16 March 2018.

8 Public Services and Procurement Canada, [“Government of Canada invest in cleaner energy system for the National Capital Region,”](#) News Release, 4 June 2019.



Two witnesses from the Public Service Alliance of Canada expressed doubts about the feasibility and safety of the project and questioned the department’s emissions reduction estimate analysis, which had not yet been made public. They urged the federal government to consider changes to the scope of the project and to release any associated business and environmental impact analysis they have conducted.

“We ask that this be conducted with transparency for the Canadian public. Make public the business case and the environmental case for this project,” [Alex Silas](#), Alternative Regional Executive Vice-President, National Capital Region, Public Service Alliance, told the Committee.

1.3 Building Standards and Retrofits

The Committee heard from several witnesses who summarized the ways in which the federal government has been adopting energy efficient building standards and undertaking a substantial number of retrofits to existing buildings, while working toward even more stringent carbon neutral standards.

[Hazel Sutton](#), Manager, Environmental Standards at Building Owners and Managers Association of Canada (BOMA), described the Association’s BOMA BEST program as the leading green certification program for existing buildings and highlighted the federal government’s extensive participation in the program.

“We look at energy, water, air, comfort, health and wellness, custodial, procurement, waste, site and stakeholder engagement. It is a questionnaire consisting of about 180 questions. Five levels of certification can be achieved, and it is literally open to every building type that exists,” Ms. Sutton explained.

Recently, Ms. Sutton added, as a result of the federal government’s work with BGIS, a building management company, 150 federal buildings had been put through the BOMA BEST program. “We’re very happy to have those buildings with us in the program. This will help provide the government with real data to understand exactly how the buildings are performing and where opportunities lie to increase and improve that performance,” [she](#) said.

[Thomas Mueller](#), the President and Chief Executive Officer of the Canada Green Building Council, a national not-for-profit organization that is the license-holder for the LEED (Leadership in Energy and Environmental Design) building rating system in Canada, also told the Committee that significant work is being done in government-owned buildings.

Though the Greening Government Strategy commits the federal government to ensuring that “all new buildings and major building retrofits prioritize low carbon investments,” Mr. Mueller recommended the federal government “formally implement a LEED Gold or Platinum policy, not only for new buildings, but also for existing buildings.” He further encouraged the federal government to adopt the Council’s zero carbon building standard for new buildings.⁹

Though LEED projects already divert 75 to 90% of construction and demolition waste and have requirements to reduce waste from building operations during the life of the building, Mr. Mueller informed the Committee of a higher new zero waste standard that the Council has developed called TRUE (Total Resource Utilization and Efficiency) that is integrated into the LEED system.

“Let’s say you have a LEED gold building with LEED gold certification. You can then seek exceptional performance going to zero waste through the LEED system,” [he](#) explained.¹⁰

In addition, Mr. Mueller suggested the federal government work with other jurisdictions and the private sector to switch fuel sources in 20% of its buildings—from fossil fuels to clean energy—and incorporate solar or other renewable energy on-site systems in 40% of its buildings.¹¹

Other witnesses told the Committee that the process of retrofitting existing buildings could provide significant apprenticeship and employment opportunities in areas experiencing high unemployment.

“Buildings, especially, the quantity of buildings the federal government owns and leases, have a significant number of rooftops that may be suitable for solar panel installation to help offset some of the energy used from the local electricity grid and meet the goals of the strategy going forward, and maybe the goals of this committee,” [Matt Wayland](#), Director of Government Relations for the International Brotherhood of Electrical Workers, told the Committee. For that reason, Mr. Wayland recommended the

9 The [Greening Government Strategy](#) commits the federal government to constructing “net-zero carbon ready buildings” by 2022, which it defines as a “building in which energy consumption is reduced to a minimum through building design strategies and efficiency measures to the point it would be practical in the future to use non-carbon-based fuel sources to meet its energy needs.”

10 The Greening Government Strategy target commits the Federal government to diverting at least 75% of non-hazardous operational waste by 2030; and diverting at least 90%, by weight, of all construction and demolition waste, while striving to reach 100% by 2030.

11 Thomas Mueller, Background Information, Canada Green Building Council, 20 March 2019, Reference document submitted to the House of Commons Standing Committee on Government Operations and Estimates [OGGO] on 20 March 2019.



installation of solar power systems on all federal buildings that receive a suitable amount of sunshine.

[Mr. Wayland](#) also recommended that, as part of any renovation on any leased or owned building, the federal government replace older and less energy-efficient lighting with LED (light-emitting diodes) lighting and install Building Automation Systems—the automatic centralized control of a building’s heating, ventilation, and air conditioning.

“In provinces like Alberta and Saskatchewan, where there’s a lot of unemployment in the oil and gas industries, those areas would certainly help drive the economy and keep people in the skilled trades,” [Mr. Wayland](#) said.

1.4 Committee Observations and Recommendations

The Committee notes that the federal government’s real property portfolio produced 987 kilotonnes of GHG emissions in 2017-2018, according to its Greenhouse Gas Emissions Inventory—almost nine-tenths of the government’s total emissions—but also that the emissions produced by its buildings have been reduced by 32%, compared with fiscal year 2005-06, as result of the actions of successive governments. Those actions include the *Federal Sustainable Development Act*, three Federal Sustainable Development Strategies and, most recently, the Greening Government Strategy.

The Committee also notes that DND (which was not part of the Committee study) and PSPC continue to account for the bulk of the federal government’s GHG emissions, and the Committee recognizes the actions those departments have already taken to address that fact. For DND’s part, those actions include—according to a departmental news release—hiring energy managers on major bases and a renewable energy contract in Alberta that the department claims will allow 90% of its energy consumption in the province to come from clean energy sources. PSPC, meanwhile, has adopted initiatives to improve energy use in government buildings that have helped it exceed its GHG emissions reduction target of a 40% reduction by 2030. PSPC is also working toward a carbon-neutral portfolio.

Several witnesses told the Committee that the federal government has already adopted, to a significant extent, leading green building certification programs such as LEED and BOMA BEST, but that that work should be expanded. To that end, as the federal government works towards the goal of its buildings consuming 100% clean electricity by 2025, some witnesses encouraged the government to adopt specific targets in the Greening Government Strategy for fuel switching and on-site renewable energy production.

Finally, while the Committee acknowledges there is great potential for the Energy Services Acquisition Program to reduce emissions in the National Capital Region, it also acknowledges concerns raised by witnesses regarding its feasibility and its impact on emissions.

Consequently, the Committee recommends:

Recommendation 1

That the Government of Canada ensure, going forward, that its building leases contain consistent green lease clauses in line with those developed by the federal, provincial, and territorial real estate working group.

Recommendation 2

That Public Services and Procurement Canada release its analysis of the estimated Greenhouse Gas emissions reduction that will arise from the Energy Services Acquisition Program so as to enable its findings to be scrutinized, and report annually on the emissions that have been reduced through the Program.

Recommendation 3

That the Government of Canada consider implementing a LEED Gold or Platinum policy for retrofits of its buildings; consider adopting the Green Building Council's TRUE (Total Resource Utilization and Efficiency) waste standard for its buildings; and expand, where feasible, its participation in the BOMA BEST program.

Recommendation 4

That the Government of Canada explore the possibility of increasing on-site renewable energy production.



CHAPTER 2: A SMART APPROACH TO CLIMATE CHANGE ADAPTATION

“From my perspective, questions for each part of the strategy should include the following. When will these activities be completed? Who will complete them? How much will actually get done?”

Julie Gelfand, Commissioner of the Environment and Sustainable Development,
Office of the Auditor General of Canada, 6 November 2018

2.1 Overview

The Greening Government Strategy’s [adaptation to climate change](#) section notes that the section is consistent with the federal government’s 2011 [Federal Adaptation Policy Framework](#) and instructs government departments and agencies to do five things:

- Understand and address the wide range of climate change impacts that could potentially affect federal assets, services and operations across the country;
- Minimize service disruptions, incorporate climate change impacts in business continuity planning, and explore how climate change impacts and adaptation can be integrated into program design and delivery considerations;
- Incorporate climate-resilient design and delivery into all major real property projects;
- Adopt climate-resilient building codes being developed by National Research Council Canada;
- Incorporate adaptation in departmental risk planning or equivalent processes.

Mr. Radford provided the Committee with some concrete examples of what PSPC is currently doing in that regard. He cited, for example, a study the department is conducting that will assess climate change vulnerabilities in the National Capital Area and identify climate-related hazards, including extreme weather events, for the land, buildings and engineering assets that PSPC owns.

“This is a first step toward incorporating climate adaptation measures into the department’s asset management plans and policies. In parallel, the parliamentary precinct branch is applying Engineers Canada’s Public Infrastructure Engineering Vulnerability Committee (PIEVC) protocol to assess climate vulnerabilities specific to the parliamentary campus,” [he](#) said.

In addition, [Mr. Radford](#) told the Committee that the PIEVC protocol will be applied to nine buildings in the Quebec region—that the department is consulting with the City of Toronto to learn from its experience working on climate change adaptation over the past 10 years—and that it is participating in a pilot project with BOMA to test the climate change resilience of government assets.

2.2 Applying a SMART Framework

[Julie Gelfand](#), the Commissioner of the Environment and Sustainable Development in the Office of the Auditor General of Canada, told the Committee that her office will likely audit the Greening Government Strategy in the future. However, she offered some preliminary recommendations regarding the climate change adaptation and oversight and performance management sections, which [she](#) said lacked the “specificity” found in the other sections.

[Ms. Gelfand](#) said that her office would ultimately assess the Greening Government Strategy with a SMART framework in mind, meaning it would evaluate whether the strategy’s objectives are specific, measurable, achievable, realistic, and have associated timelines.

“From my perspective, questions for each part of the strategy should include the following. When will these activities be completed? Who will complete them? How much will actually get done?” [she](#) explained. [She](#) encouraged the Committee to consider a recommendation that SMART objectives be applied throughout the entire strategy, “so that Parliament and Canadians can measure the results” and ensure that the Government of Canada’s \$66 billion in assets are prepared to adapt to a change in climate.

Ms. Gelfand also recommended the Greening Government Strategy integrate the recommendations in Report 2 of her office’s 2017 fall report, [*Adapting to the Impacts of Climate Change*](#)—which was tabled before the release of the Greening Government Strategy—on how 19 federal departments and agencies were addressing climate change risks to their programs and operations.



The 2017 report made the following recommendations related to climate change adaptation:

- That Environment and Climate Change Canada, in consultation with central agencies (such as the Treasury Board of Canada Secretariat's Centre for Greening Government) should provide clear direction and guidance to federal departments to assess climate change risks to their areas of responsibility; and gather individual departments' resulting information to build government-wide awareness of climate change risks and opportunities to inform adaptation planning;
- That Environment and Climate Change Canada, in collaboration with other key federal departments and agencies, should develop a federal adaptation action plan that: describes how the federal government will achieve its adaptation objectives and commitments; identifies concrete prioritized actions with timelines to respond to climate change impacts on federal areas of responsibility, based on evidence from climate change risk assessments; clearly identifies roles and responsibilities, including who is responsible for overseeing the plan and which departments and agencies are accountable for implementing the actions; and requires measuring and reporting on the plan's progress;
- That Environment and Climate Change Canada, in collaboration with other federal departments and agencies, should: assess what tools, guidance, expertise, and resources federal departments and agencies need to manage their climate risks; create a centralized portal of tools, guidance, expertise, and resources; and make ongoing training and sharing of best practices and lessons learned available to departments and agencies.

2.3 Committee Observations and Recommendations

The Committee notes that the Greening Government Strategy's climate change section is consistent with the federal government's more comprehensive 2011 [Federal Adaptation Policy Framework](#). However, it agrees with the Commissioner of the Environment and Sustainable Development in the Office of the Auditor General of Canada that the section should be updated to include specific targets, such as those found in the rest of the Strategy.

At the same time, the Committee acknowledges the progress some departments and agencies, notably PSPC, have made related to climate change adaptation. The department is currently conducting a study on climate change vulnerabilities in the National Capital Area, for example, and working toward incorporating climate change adaptation measures into all of its asset management plans and policies. It is also participating in a pilot project with BOMA to test the climate change resilience of government assets. However, the Committee believes that much more needs to be done to ensure that all federal departments and agencies are prepared to adapt to a changing climate.

Consequently, the Committee recommends:

Recommendation 5

That the Treasury Board of Canada Secretariat include SMART (specific, measurable, achievable, realistic, timely) objectives throughout the entire Greening Government Strategy and add specific targets to the strategy's adaptation to climate change and oversight and performance measurement sections.

Recommendation 6

That the Government of Canada act on the recommendations that address climate change adaptation in the Commissioner of the Environment and Sustainable Development's 2017 fall report and, where possible, integrate them into the Greening Government Strategy.



CHAPTER 3: BUYING THINGS DIFFERENTLY

“To put it more bluntly, the only way we are going to do anything differently is by buying things differently.”

Sarah Petrevan, Senior Policy Advisor,
Clean Energy Canada, 27 November 2018

3.1 Green Procurement Policies

The federal government defines green procurement as the “integration of environmental performance considerations into the procurement decision-making process¹²,” and its green procurement policy is laid out in the Greening Government Strategy’s procurement section as well as the 2006 Policy on Green Procurement, which was most recently updated in May 2018.

“On procurement and the policy on green procurement, we lead the policy direction so departments like PSPC are the key implementers. We set policy direction and PSPC implements. That’s the easy way to explain it.” Mr. Xenos told the Committee. He also noted that the federal government purchases over \$20 billion in goods and services annually.

The Greening Government Strategy’s procurement section has four main components:

- Integrating sustainability and life-cycle assessment principles in procurement policies and practices, including the government’s supply chain;
- Working with major suppliers to encourage the disclosure of their GHG emissions and environmental performance information;
- Supporting departments and agencies in adopting clean technology and clean technology demonstration projects; and
- Increasing training and support on green procurement to public service employees.

The strategy’s early focus, Mr. Xenos said, has been on “some of the areas with the biggest greenhouse gas emissions, such as buildings, vehicle fleets, and electricity,” and

12 Public Services and Procurement Canada, [Green Procurement](#).

he highlighted two particularly important procurement targets: 100% clean energy use by 2025 and the requirement that 75% of all new light-duty administrative vehicle purchases be zero emission vehicles or hybrid starting on 1 April 2019.

3.2 Demonstration Opportunities

Despite the Greening Government Strategy's commitment to supporting clean technology demonstration projects, some witnesses said Canadian companies—particularly small and medium-sized enterprises (SMEs)—continue to face obstacles when it comes to showcasing their technology.

[Sarah Petrevan](#), a senior policy advisor at Clean Energy Canada, told the Committee that one of the first questions potential international clients ask Canadian clean technology companies is where their product is being used. "It's important to actually have that commercialized example within Canada for exports abroad," she said.

Representing the CanadaCleantech Alliance, [Denis Leclerc](#), Chairman of the Board and President and Chief Executive Officer of Écotech Québec, emphasized the "shortage of testing grounds or demonstration projects to test the benefits of Canadian clean technologies and demonstrate them." Both witnesses encouraged the federal government to provide more opportunities to Canadian clean technology SMEs to showcase their technology in federal government buildings.

To that end, the same witnesses recommended the government use Finland's green procurement policies as a model. In an effort to promote sustainable procurement, in 2013, the Finnish government announced a goal of allocating 1% of its total procurement budget (roughly €325 million) to Finnish clean technology.¹³

"What other countries are doing is that they are using their own government to showcase the technology...Finland has a very aggressive policy in terms of clean technology," [Mr. Leclerc](#) said, adding that Crown Corporations, such as museums, would be "extraordinary places to test energy efficiency technologies."

Ms. Petrevan also suggested that the federal government might consider setting aside parts of contracts for SMEs. "That's one way of doing it," [she](#) said, while Collen Giroux-Schmidt, Vice-President, Corporate Relations at Innergex Renewable Energy Inc., added

13 European Commission, "[Finland Focuses on Future Prosperity Through Cleantech Growth](#)," 13 November 2013.



that there might also be an opportunity to create Indigenous economic opportunities through green government procurement.

“The procurement of renewable energy can be used as a driving force to revitalize indigenous and non-Indigenous rural communities across Canada. There is an untapped opportunity to leverage the build-out of the renewable energy sector to bring new jobs and economic development, and to allow communities to take an active role in the transition to the 21st century low-carbon economy,” [Ms. Giroux-Schmidt](#) said.

3.3 Observations from International Witnesses

Like Canada, the Government of the French Republic has specific green procurement targets, [Elise Calais](#), Deputy Director of the Government of France’s Ministry for the Ecological and Inclusive Transition, General Commission for Sustainable Development, told the Committee.

“The inter-ministerial policy we are responsible for is based on the February 17, 2015 circular issued by the Prime Minister of France calling on each minister to adopt an exemplary administration plan setting out a number of principles and to submit an annual report taking into account specific indicators,” [she](#) explained.

The exemplary administration approach includes commitments, among other things, to ensure 50% of government-purchased vehicles are low-emission vehicles, to use retreaded tires for government vehicles, to use recycled paper, and to reuse mobile phones.

Additionally, Ms. Calais said, the Government of the French Republic has set the targets of including an environmental clause in 30% of government contracts by 2020 and for 80% of government organizations to take into account product life cycles when purchasing goods such as printing devices, offices supplies, furniture, and clothing.

[Ms. Calais](#) added, however, that “despite the large number of regulatory obligations, the desired effects aren’t always forthcoming, primarily because measures are lacking to sanction organizations for failing to follow through on their obligations.”

[She](#) said the French Government is currently trying to determine the right balance between binding and voluntary measures.

“Currently, the French model is really quite voluntary in terms of commitment level. I'll give you an example. In theory, 50% of government-purchased vehicles have to be low-emission vehicles. In practice, however, the percentage is estimated at 12% for short term and 7% for inventory. Clearly, the reality is way off target. It all has to do with the fact that public authorities are given a certain number of exemptions, which they take full advantage of. When it comes to a mandatory approach, it all depends on political will.”

On a more positive note, [Ms. Calais](#) also told the Committee that the French Government has had success with its annual public procurement awards ceremony, which recognizes stellar performance in various categories related to government contracts—the inclusion of GHG emissions clauses, for example.

For her part, [Hannele Pokka](#), Permanent Secretary for the Republic of Finland’s Ministry of the Environment, highlighted the Finnish Government’s sustainable development strategy, *The Finland we want by 2050*, which has tried to expand the reach of the government’s sustainable procurement objectives.

“Under the commitment, the public sector together with other actors pledges to promote sustainable development in all its work and operations,” [she](#) said, and pointed out that different stakeholders and public sector organizations have already made almost 2,000 commitments.

In the U.S., [Ms. Sutley](#) told the Committee that successive presidents, beginning in the 1990s, have issued executive orders establishing sustainability and greening goals for the U.S. Government, which has more than 350,000 buildings, 600,000 vehicles, nearly two million civilian employees, and which purchases US\$500 billion annually in goods and services—including US\$16 billion in energy.

[Ms. Sutley](#) noted that, according to the U.S. Office of Federal Sustainability, housed within the White House Council on Environmental Quality, the U.S. government reduced building energy use per square foot by 7% from 2015 to 2017; decreased potable water use by 25% since 2007; achieved 10% renewable energy use; and a doubling of alternative fuel use since 2005.

Key to those accomplishments and others, she added, was their “business case.”



“For example, the U.S. government was an early adopter and encourager of green building practices that result in long-term budgetary savings. Also, these executive orders have encouraged federal agencies to use energy savings performance contracts (ESPCs) that are authorized by federal law. These ESPCs allow federal agencies to enter into budget-neutral, long-term contracts with third parties that guarantee energy savings with no upfront costs paid through the energy savings.”

3.4 Charlevoix G7 Summit

In the wake of media reports that the Government of Canada spent \$23 million on 631 vehicles for the June 2018 G7 Summit in Charlevoix, Quebec, only 51 of which were going to be repurposed for use within the government and none of which were zero emissions or hybrid vehicles,¹⁴ [some members](#) expressed concern that green procurement directives were and would continue to be ignored by government departments and agencies.

Mr. Xenos acknowledged that an existing national and safety exemption could be overused. “We don’t want to use national safety and security if it isn’t really that, so we do want to tighten that definition so that it’s clear on fleet for example what national safety and security mean,” [he](#) said.

[He](#) also added that, starting on 1 April 2019, he would be apprised of significant procurement proposals that do not conform to the Greening Government Strategy, and he would engage with noncompliant departments and agencies. Finally, he highlighted the strategy’s commitment to increasing training and support on green procurement for public service employees.

Other government officials, such as [Carolynne Blain](#), Director General, Strategic Policy Sector, Acquisitions Branch, at PSPC, said there was a strong appetite to make the G7 an “eco-responsible event” and that, in her opinion, the Government of Canada largely succeeded in that regard.

14 [Marie-Danielle Smith, Federal government spent millions on 631 new cars for G7 summit. Now, it’s trying to sell most of them, National Post, 5 November 2018.](#)

[Ms. Blain](#) highlighted an innovative bid evaluation methodology for accommodation, transportation, and food services contracts that gave preference to environmental products and services, the limited use of plastics, and the responsible management of waste materials. [She](#) also noted that the summit achieved the Conseil québécois des événements écoresponsables' level three certification for eco-responsible event management.

3.5 Green Procurement Training

[Carol Najm](#), Assistant Deputy Minister, Corporate Services and Financial Services Branch at Environment and Climate Change Canada, said that the department is developing green procurement training with a particular focus on credit card acquisitions, prioritizing the reduction of embodied carbon, and minimizing the use of harmful materials in the construction and renovation process. [Mr. Xenos](#) added that increased training and support regarding green procurement is part of the Greening Government Strategy and the updated Policy on Green Procurement.

Though [Ms. Petrevan](#) emphasized that Finland is a green procurement paragon, she also said the United Kingdom's Commissioning Academy provides a great example of how procurement officials can be retrained and taught new and modern approaches, such as outcomes-based procurement.¹⁵

Commissioning, according to the Government of the United Kingdom, "is essentially the effective design and delivery of policy, solutions or services."¹⁶ And the Commissioning Academy, which was launched in 2012, "aims to help those who work on defining policy, shaping public service provision or allocating resources for services to citizens, to get the best outcome." The Academy's approach is to host 5-day programs, for diverse groups of up to 30 participants, which involve peer-led learning, debate and practical implementation.

"I would specifically look to the United Kingdom's Commissioning Academy as to how they have retrained their procurement officials to look at modern approaches to

15 OGGO June 2018 report, "[Modernizing Federal Procurement for Small and Medium Enterprises, Women-Owned and Indigenous Businesses](#)," made several recommendations related to outcomes-based procurement, [which](#) it defined as procurement that "specifies the desired outcome, rather than the specific equipment or services that are to be purchased." In its [response](#) to the report, the Government of Canada noted that it is updating its procurement policies and instruments through its Policy Suite Reset and examining "how best to support increasing socio-economic policy goals such as innovation, green, and social procurement."

16 Government of the United Kingdom, [The Commissioning Academy](#), 31 January 2014.



procurement, including outcomes-based procurement. This would be a radical shift for Canada, but any country that has done this well has moved towards outcomes-based procurement,” [Ms. Petrevan](#) said.

The United Kingdom government, which has its own Greening Government Commitments that include targets to reduce emissions from government operations, also has a number of sustainable procurement tools. A recent annual report on the United Kingdom’s Commitments notes that British Government departments are continuing to use tools such as CAESER (Corporate Assessment of Environmental, Social and Economic Responsibility)—which enables organisations to assess the positive and negative effects of their supply chain—and the Flexible Framework, a self-assessment mechanism that allows organisations to measure and monitor their progress on sustainable procurement over time.¹⁷

3.6 Committee Observations and Recommendations

As the purchaser of as much as \$20 billion of goods and services annually, the Committee believes that through its procurement process the federal government has an opportunity to reduce GHG emissions while also bolstering Canadian clean technology companies and sending a strong signal to the private sector about the products and services they should be creating.

With the federal government working toward the Greening Government Strategy’s specific targets—for the procurement of zero-emission vehicles and clean energy, for example—progress towards meeting those GHG goals is underway. At the same time, however, the Committee is of the opinion that there are procurement-related shortcomings in the Strategy that, if addressed, could make it even more impactful.

Several witnesses noted that Canadian companies—particularly SMEs—face obstacles showcasing their clean technology and urged the federal government to give them more opportunities. In addition to establishing procurement quotas for the use of Canadian clean technology, as is done in Finland, they suggested Crown Corporations, particularly museums, would be ideal places to demonstrate new, cutting-edge products. The Committee encourages the Office of Small and Medium Enterprises in PSPC to assist Canadian businesses in testing their clean technology before they are commercialized through the Build in Canada Innovation Program.

17 Government of the United Kingdom – Department for Environment Food & Rural Affairs, “[Greening Government Commitments Annual Report, April 2016 to March 2017](#),” February 2018.

The Committee heard from several international witnesses who shared what has and has not been working in their jurisdictions, and the Committee believes their experiences should inform future updates to the Greening Government Strategy's procurement section. Both internationally and within Canada, the use of exemptions has allowed procurement officials to bypass green procurement requirements and their effect, as a result, has been limited. It follows, the Committee heard, that there needs to be the right incentive or sanction in place to ensure requirements are not bypassed in the future.

Finally, on the subject of green procurement training, the Committee was told that the United Kingdom's Commissioning Academy provides a great example of how procurement officials can be retrained and taught new and modern approaches, such as outcomes-based procurement, and believes that the British approach merits future study.

Consequently, the Committee recommends:

Recommendation 7

That the Government of Canada study the feasibility of establishing a procurement quota, similar to Finland's, for clean technology products from small and medium-sized Canadian companies.

Recommendation 8

That the Government of Canada provide additional opportunities to Canadian clean technology small and medium-sized enterprises to demonstrate their products.

Recommendation 9

That the Government of Canada continue to explore the possibility of using outcomes-based procurement in the future and consider an approach similar to the United Kingdom's Commissioning Academy.



CHAPTER 4: LOW-CARBON FLEETS AND TRAVEL

“Our purchases of green vehicles went from 4% during the last fiscal year to 16% two-thirds of the way through the current year. We see that behaviours are changing, and the trend is there.”

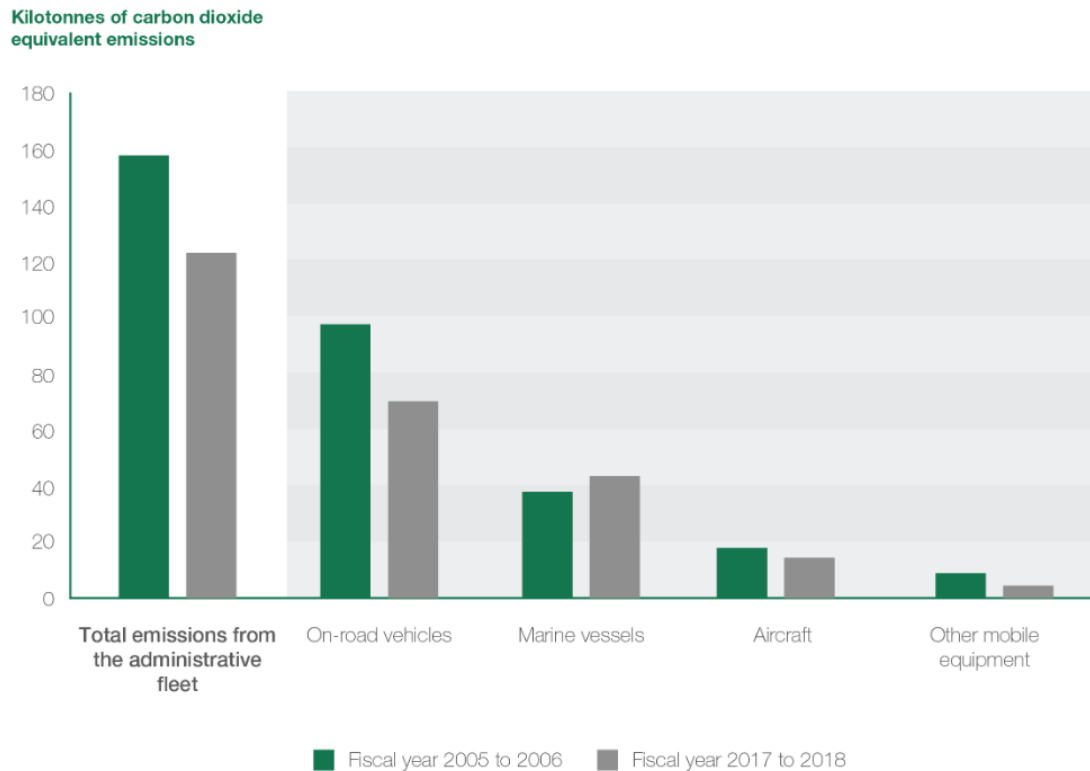
David Schwartz, Director General,
Commercial and Alternative Acquisitions Management Sector,
Public Services and Procurement Canada, 27 November 2018

4.1 Commitments Made and Progress to Date

Though the bulk of the federal government’s GHG emissions are produced by its real property portfolio, its fleet of vehicles nonetheless accounted for 11% of targeted federal GHG emissions in fiscal year 2017 to 2018, according to the Greenhouse Gas Emissions Inventory.

The Inventory notes that over half of those emissions, 55%, were generated by on-road vehicles, while the remaining emissions were generated by marine vessels (32%), aircraft (10%), and other mobile equipment owned by federal organizations (3%). Figure 3 compares GHG emissions from the federal government fleet by source for fiscal years 2005 to 2006 and 2017 to 2018.

Figure 3—Greenhouse gas emissions from the federal administrative fleet by source for fiscal years 2005 to 2006 and 2017 to 2018



Source: [Government of Canada's Greenhouse Gas Emissions Inventory](#).

The Greening Government Strategy makes several commitments regarding the federal government's fleet of vehicles. Those include the previously-addressed marquee commitment—to ensure 75% of new light-duty administrative vehicles are zero-emission or hybrid by 2020—and others, like the commitment to apply telematics to collect and analyze vehicle usage data and to explore alternative energy use options for the federal government's national safety and security fleet.

"We chair an interdepartmental committee of the fleet managers of the 23 fleet-managing departments that have fleets of more than 50 cars. We communicate the strategy, we communicate the way we're going to report on it, we communicate the way we're going to deal with particular challenges and different issues," [Mr. Xenos](#) told the Committee.

[David Schwartz](#), Director General, Commercial and Alternative Acquisitions Management Sector at PSPC, followed with some examples of "real progress" in the department's



purchasing of green vehicles. In 2017-2018, 4.1% of new vehicles purchased for the federal fleet were green, but by November 2018 that had risen to 15.96%. “We see that behaviours are changing, and the trend is there,” Mr. Schwartz said.

[Mr. Radford](#) added that PSPC has installed 59 electric vehicle charging stations in department-owned and leased facilities and put a procurement instrument in place to ensure government access to electric vehicle options when fleet inventory turnover occurs.

For Natural Resources Canada’s part, [Paula Vieira](#), Director of the Transportation and Alternative Fuels Division, noted in a brief provided to the Committee that the department began working with vehicle manufacturers shortly after the Greening Government Strategy’s fleet-related commitments were made.

“We leveraged our long-standing relationship with vehicle manufacturers to encourage them to provide greater variety and availability of lower-carbon vehicles for the federal fleets, though the Government Motor Vehicle Ordering Guide,” she said.

To that, [Dominic Cliche](#), Director of Environmental Management at Transport Canada, added that—with support from Natural Resources Canada—the department conducted a study on its vehicle use across the country to inform its future vehicle purchases. “The study indicated that of the 286 vehicles analyzed, 165 vehicles were suitable for replacement with zero-emission vehicles, which would lead to a 282 ton (40%) reduction in GHG emissions, along with 15% fleet savings (\$1.4M) for the department,” he explained in a [brief](#) provided to the Committee.

Already, of Transport Canada’s current fleet of 301 administrative vehicles, 117 are zero-emission or hybrid, representing 39% of the fleet, Cliche further explained in the [brief](#); and 50% of the fleet that has been ordered for 2018-19 is zero-emission or hybrid, compared to 18% the previous year.

Beyond reducing GHG emissions from its fleet, the Greening Government Strategy also commits the federal government to tracking emissions from air travel and promoting lower-carbon alternatives to work-related travel starting in 2019-2020.

The Finnish Government, [Ms. Pokka](#) noted, is taking a slightly more aggressive approach. As a result of assuming the Presidency of the Council of the European Union in

July 2019¹⁸, it plans to address increased air travel between Brussels and Helsinki with a system of offsets.

“As part of this presidency program, the government is planning to compensate CO2 emissions of flight travels. We are planning that beyond this chairmanship; we'll continue this compensation system,” [she](#) said.

4.2 Committee Observations and Recommendations

The Committee acknowledges that the federal government has begun to make progress in transitioning its fleet toward hybrid and zero-emission vehicles, and that several departments and agencies, such as Transport Canada, have taken significant steps toward meeting the Greening Government’s green vehicle procurement targets. The Committee also acknowledges the federal government’s efforts in encouraging vehicle manufacturers to provide lower-carbon vehicles through the Government Motor Vehicle Motoring Guide.

While the Committee also recognizes that the federal government has committed in the Greening Government Strategy to tracking GHG emissions from air travel by public service employees—starting in 2019-2020—and to promoting lower-carbon alternatives to work-related air travel, it also notes that the Finnish Government is implementing a carbon offset program for flights associated with its 2019 Presidency of the Council of the European Union.

Consequently, the Committee recommends:

Recommendation 10

That the Centre for Greening Government report all Greenhouse Gas emissions from air travel by public service employees starting in fiscal year 2020–2021 and summarize the actions departments and agencies have been taking to promote lower-carbon alternatives to air travel, such as teleconferencing and videoconferencing.

Recommendation 11

That the Government of Canada set targets for the reduction of Greenhouse Gas emissions from air travel by public service employees.

18 Prime Minister’s Office Finland, “[Finland preparing for Presidency of the Council of the European Union.](#)”



CHAPTER 5: CONSISTENT REPORTING

“First, as a bit of background, the federal sustainable development strategy is the primary vehicle for federal government sustainable development planning and reporting. It sets out the government's sustainable development priorities, establishes goals and targets, and identifies actions to achieve them.”

[Gail Haarsma](#), Acting Director, Sustainable Development Policy Division, Strategic Policy Branch, Environment and Climate Change Canada, 6 November 2018

5.1 Reconciling the Federal Sustainable Development Strategy and the Greening Government Strategy

In 2008, the *Federal Sustainable Development Act* received royal assent, creating the obligation for the Minister of the Environment to consult on and table a Federal Sustainable Development Strategy (FSDS)—along with a progress report—every three years. Among other things, the Act requires federal organizations to produce federal sustainable development strategies that comply with the FSDS.

From the very first FSDS, tabled in 2010, greening government operations have been a goal, [Gail Haarsma](#), the Acting Director of the Sustainable Development Policy Division in the Strategic Policy Branch at Environment and Climate Change Canada, told the Committee.

“Since that time, each subsequent FSDS—in 2013 and 2016—has included greening government practices within a separate and specific goal focusing on greening government operations. For example, the current 2016-19 FSDS has a low-carbon government goal as one of the 13 goals, and we anticipate it will remain a key component of future strategies,” she explained.

Bill C-57, *an Act to amend the Federal Sustainable Development Act*, which received royal assent on 28 February 2019, has expanded the number of federal organizations subject to the Act from 26 to more than 90.¹⁹ It also formalized the role of Treasury

19 House of Commons, OGGO, [Evidence](#), 1st Session, 42nd Parliament, 151st Meeting, 6 November 2018, (Gail Haarsma, Acting Director, Sustainable Development Policy Division, Strategic Policy Branch, Environment and Climate Change Canada).

Board of Canada Secretariat in establishing policies, such as the Greening Government Strategy, and issuing directives.²⁰

Though some Crown Corporations participate voluntarily in the FSDS, the Committee was told, they are not obligated to. The Greening Government Strategy targets, similarly, do not apply to Crown Corporations, and [some members](#) of the Committee questioned why that was the case.

[Mr. Xenos](#) told the Committee that the Centre for Greening Government reaches out to and works with Crown Corporations, and that many have “sustainability plans or carbon emission targets as well.”

“We've expanded the number of departments to include all the departments within the *Financial Administration Act*, schedule I.1, section 2. It is essentially everything up to Crown Corporations. All our expertise and networks and interdepartmental committees include Crown Corporations, so we're working with them as well,” [Mr. Xenos](#) added.

[Some members](#) of the Committee noted that PSPC is already including Greening Government Strategy commitments in its departmental plans and results reports, but that other departments and agencies are not.

[Mr. Xenos](#) pointed out that the 2016-2019 Federal Sustainable Development Strategy includes a low-carbon government goal, and that many departments and agencies address elements of the Greening Government Strategy through their sustainable development strategies, which are attached to their departmental performance reports. But he agreed that expanding Greening Government Strategy reporting requirements was something that could be re-examined.

To that end, [he](#) said the federal government is also looking at embedding the Greening Government Strategy in the Management Accountability Framework—an oversight tool used by the Treasury Board of Canada Secretariat to help ensure that federal departments and agencies are well managed, accountable, and that resources are allocated to achieve results.

“That's the vehicle we're looking at, because that's management's accountability,” [Mr. Xenos](#) said.

20 [An Act to amend the Federal Sustainable Development Act](#), Section 10.1



5.2 Committee Observations and Recommendations

The Committee notes that the three Federal Sustainable Development Strategies that have followed the coming into force of the 2008 *Federal Sustainable Development Act* have all taken on the task of greening federal government operations and set specific targets for that purpose. However, with the establishment of the Centre for Greening Government in the fall of 2016, and the launch of the Greening Government Strategy, on 19 December 2017, the federal government has begun consolidating its oversight efforts and simplifying its GHG emissions reporting. Nonetheless, the Committee believes that more work can be done.

The Committee believes all federal departments and agencies should follow PSPC's lead and include Greening Government Strategy targets and reporting in their Departmental Plans and Departmental Results Reports.

Finally, though neither the Federal Sustainable Development Strategy nor the Greening Government Strategy apply to Crown Corporations, the Committee was told that some Crown Corporations already participate voluntarily in both. The Committee believes, however, that all Crown Corporations must be required to meet the Greening Government Strategy's targets.

Consequently, the Committee recommends:

Recommendation 12

That, in addition to reporting in their Departmental Sustainable Development Strategies, the Treasury Board of Canada Secretariat require that all federal departments and agencies subject to the Greening Government Strategy include the Strategy's targets in their Departmental Plans and report on their progress in their Departmental Results Reports.

Recommendation 13

That all Crown Corporations meet the requirements of the Greening Government Strategy.

CONCLUSION

With the establishment of the Centre for Greening Government and the launch of the Greening Government Strategy, Canadians can now better track what the federal government is doing to reduce GHG emissions from its operations and to prepare its assets for the impact of climate change. They can also monitor efforts by individual departments and agencies towards meeting the federal government's target of reducing GHG emissions from its operations by 40% by 2030 and by 80% by 2050, relative to 2005 levels.

Building on the work of past initiatives, the Greening Government Strategy has contributed to reducing GHG emissions from federal operations by 32% relative to 2005 levels, and to achieving a 4% year-over-year reduction from fiscal year 2016 to 2017. Those results owe in large part to the actions of some key departments, such as DND and PSPC—the federal government's two largest emitters—which have made great strides in reducing their carbon footprints.

Much remains to be done to reach the Strategy's target of an 80% reduction by 2050, relative to 2005 levels—particularly when it comes to the federal government's real property portfolio, which accounts for almost 90% of its emissions. But the Committee believes that the 13 recommendations in this report could significantly help the government achieve its longer-term emissions reduction target.

APPENDIX A LIST OF WITNESSES

The following table lists the witnesses who appeared before the Committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the Committee’s [webpage for this study](#).

Organizations and Individuals	Date	Meeting
Department of Public Works and Government Services Kevin Radford, Assistant Deputy Minister Real Property Services	2018/11/06	151
Department of the Environment Gail Haarsma, Acting Director Sustainable Development Policy Division, Strategic Policy Branch Carol Najm, Assistant Deputy Minister Corporate Services and Financial Branch Vincent Ngan, Director General Horizontal Policy, Engagement and Coordination	2018/11/06	151
Office of the Auditor General Julie Gelfand, Commissioner of the Environment and Sustainable Development Kimberley Leach, Principal	2018/11/06	151
Treasury Board Secretariat Jessica Sultan, Senior Director Real Property and Materiel Policy Division, Acquired Services and Assets Sector, Office of the Comptroller General Nick Xenos, Executive Director Centre for Greening Government	2018/11/06	151

Organizations and Individuals	Date	Meeting
<p>CanadaCleantech Alliance</p> <p>Jean-François Béland, Administrator and Vice-President Corporate Affairs and Strategy, General Fusion</p> <p>Denis Leclerc, Chairman of the Board and President and Chief Executive Officer Écotech Québec</p>	2018/11/27	155
<p>Clean Energy Canada</p> <p>Sarah Petreva, Senior Policy Advisor</p>	2018/11/27	155
<p>Department of Public Works and Government Services</p> <p>Carolynne Blain, Director General Strategic Policy Sector, Acquisitions Branch</p> <p>David Schwartz, Director General Commercial and Alternative Acquisitions Management Sector</p>	2018/11/27	155
<p>Treasury Board Secretariat</p> <p>Jessica Sultan, Senior Director Real Property and Materiel Policy Division, Acquired Services and Assets Sector, Office of the Comptroller General</p> <p>Nick Xenos, Executive Director Centre for Greening Government</p>	2018/11/27	155
<p>Building Owners and Managers Association of Canada</p> <p>Victoria Papp, Program Coordinator Environmental Standards</p> <p>Hazel Sutton, Manager Environmental Standards</p>	2019/02/04	161
<p>Innergex Renewable Energy Inc.</p> <p>Colleen Giroux-Schmidt, Vice-President Corporate Relations</p>	2019/02/04	161
<p>International Brotherhood of Electrical Workers</p> <p>Matt Wayland, Executive Assistant to the International Vice-President and Canadian Director of Government Relations</p>	2019/02/04	161

Organizations and Individuals	Date	Meeting
<p>Public Service Alliance of Canada</p> <p>Paul Paquette, First Vice-president Local 20023, National Capital Region</p> <p>Alex Silas, Alternate Regional Executive Vice-President National Capital Region</p>	2019/02/04	161
<p>Canada Green Building Council</p> <p>Thomas Mueller, President and Chief Executive Officer</p>	2019/03/20	165
<p>As an individual</p> <p>Nancy Sutley, Chief Sustainability Officer Los Angeles Department of Water and Power</p>	2019/04/02	167
<p>Government of the French Republic</p> <p>Elise Calais, Deputy Director, Ministry for the Ecological and Inclusive Transition General Commission for Sustainable Development, Department for the Economy, Evaluation and Integration of Sustainable Development Policies, Division of Environmental Responsibility of Economic Actors</p> <p>Corinne Fritsch, Acting Head of the Office of Public Service Leadership, Ministry for the Ecological and Inclusive Transition General Commission for Sustainable Development, Department for the Economy, Evaluation and Integration of Sustainable Development Policies, Division of Environmental Responsibility of Economic Actors</p> <p>Jean-Baptiste Trocmé, Head, Office for the Integration of Sustainable Development in Support Functions, Ministry for Ecological and Inclusive Transition General Secretariat, Department for Information Technology and Policy Support, Department of Ministerial Policies for Sustainable Operations and Procurement</p>	2019/04/02	167
<p>Government of the Republic of Finland</p> <p>Hannele Pokka, Permanent Secretary Ministry of the Environment</p>	2019/04/02	167

APPENDIX B LIST OF BRIEFS

The following is an alphabetical list of organizations and individuals who submitted briefs to the Committee related to this report. For more information, please consult the Committee's [webpage for this study](#).

Department of Natural Resources

Department of Transport

International Brotherhood of Electrical Workers

Office of the Auditor General

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 151, 155, 161, 165, 167, 175, 176 and 179](#)) is tabled.

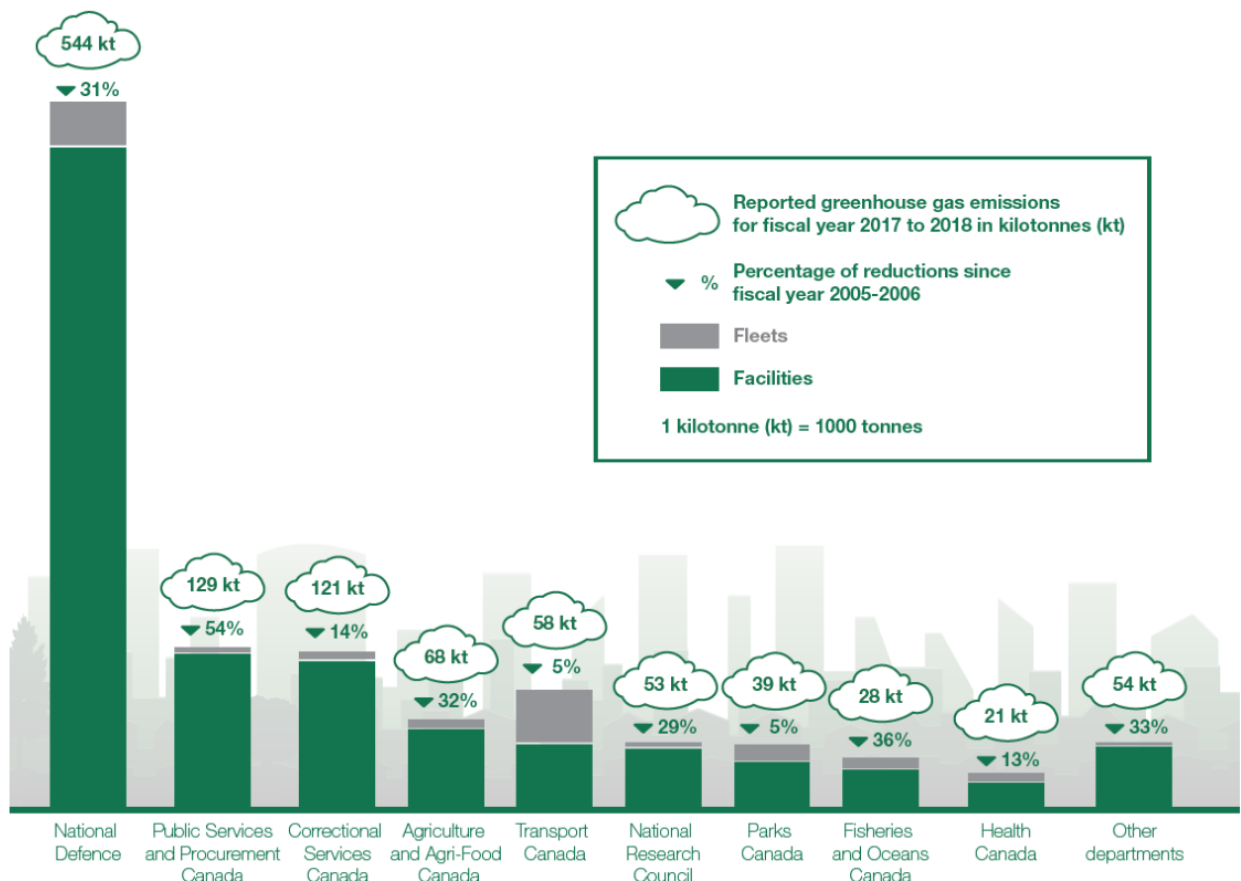
Respectfully submitted,

Tom Lukiwski
Chair

SUPPLEMENTARY OPINION OF THE CONSERVATIVE PARTY OF CANADA: IGNORING THE LARGEST EMITTERS IS NOT A WHOLE OF GOVERNMENT APPROACH

The Operations and Government Estimates Committee (the Committee) study on the greening of government buildings had an opportunity – and failed – to build on the countless other studies being done by both House and Senate committees. In spite of repeated requests, the Committee was unable to hear from the Department of National Defence (DND) on their plans to decrease emissions, particularly given that DND accounts for the near majority of all government building emissions as noted in Figure 1.

Figure 1: Greenhouse gas emissions by federal organization in fiscal year 2017 to 2018 and the percentage change in emissions compared with fiscal year 2005-2006



Source: Government of Canada’s Greenhouse Gas Emissions Inventory.

DND is by far the largest emitter in comparison to other federal departments with its total emissions accounting for 48% of all government greenhouse gas emissions. Despite interest in having DND appear to speak to why their facility emissions are so high, the Committee instead opted to look at areas that have already been studied at length by other committees. In this parliamentary session alone, there were three separate reports tabled by other committees on this exact subject.

In the context of this study, understanding the conditions that underpin the causes of emissions inefficiencies within DND would have been helpful in identifying which mechanisms within the current framework of greening policies are falling short. It would have also helped future governments in establishing a targeted program to assist DND in working within their own limitations and requirements to effectively decrease emissions. The Conservative Party is disappointed that the study, one of many currently being undertaken by Parliamentarians and Senators, failed to consider this key area of research and thus is of marginal value in helping the process of greening government.