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Chair

Mr. Laurie Hawn

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•(1735)

[*English*]

The Chair (Mr. Laurie Hawn (Edmonton Centre, CPC)): Ladies and gentlemen, we'll get under way. I welcome you to the third meeting of the special Legislative Committee on Bill C-30.

Before we get to the witnesses, first of all, honourable members, I have the report. The subcommittee has met over the last number of days, and we've been wrestling with schedules and the witness list and so on. I have the honour of presenting the first report. It has the list of topic areas agreed to by the subcommittee, the list of witnesses agreed to by the subcommittee, and the schedule of sitting agreed to by the subcommittee. It's being distributed right now.

I would hope that the individual members of the subcommittee have had a chance to talk to the other members of their parties on the committee and that we can move forward with the adoption of the report and move on to business.

Yes, Mr. Cullen

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Do you need a mover for the adoption of that report, Chair?

The Chair: Yes.

Mr. Nathan Cullen: Then I so move.

The Chair: Mr. Cullen moves the adoption of the first report, as presented.

(Motion agreed to)

The Chair: Great, that was easy.

We also have some CDs available, as we had discussed, with all the testimony from Bill C-288, the environment committee and so on. That will be handed out for your reading pleasure.

The clerk will explain how it's formatted, for those of us who are Luddites.

The Clerk of the Committee (Mr. Chad Mariage): Mr. Chair, the CD has been divided into three subfolders for the three particular studies that Mr. Cullen alluded to in his motion: the oil sands study from natural resources, the C-288 study, and then the Kyoto from the last Parliament.

There's also a Word document that has links in it to the testimony from that committee. So if you click on the link, it will take you to the parliamentary website where you have a list of all the testimony that took place before that committee.

That's how it's formatted.

•(1740)

The Chair: That's just for your edification, members.

Just before we get to the witnesses, a couple of things are going to happen today a little bit differently. We're going to go to 6:30, assuming that the bells ring at—

Go ahead, Mr. Godfrey.

Hon. John Godfrey (Don Valley West, Lib.): I'm just a little confused about something. In dealing with this report, which was just voted on, I don't see the list of—

For example, tomorrow, is something missing here? For vehicles, for example—and I think there may be one or two questions about that list, and it isn't here.

So I'm just wondering—

The Chair: Our apologies; that is an oversight. We'll have the missing pieces here before 6:30.

Hon. John Godfrey: Right. Well, I do think we should allow ourselves to discuss that, because I think one or two members have a view that the list is to some degree incomplete.

The Chair: Okay. We'll proceed to get the missing bits, and if there's discussion on that, we can go to that. All right?

Go ahead, Monsieur Bigras.

[*Translation*]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): This doesn't concern the report as such. I'd like to know whether we know when the minister will be appearing before the committee, since his name has been withdrawn from tomorrow's agenda. I was one of those who thought that the usual procedure was to receive the minister, then the officials, then, lastly, the witnesses. We've shown that we're very flexible thus far, but it seems we haven't received an answer from the minister.

Could the parliamentary secretary inform us of the situation?

[*English*]

The Chair: Mr. Warawa.

Mr. Mark Warawa (Langley, CPC): Thank you, Chair.

Tomorrow will not work, as there is a conflict in the scheduling, but we'll be able to let you know, tomorrow hopefully, if Thursday is going to work.

So I will let the committee know tomorrow.

The Chair: Mr. Cullen.

Mr. Nathan Cullen: Just on this, Chair, I'd urge the government to have something a little more—

The problem is that if he lets us know tomorrow that Thursday doesn't work, then we've lost the week. As Monsieur Bigras has said, we've now moved into substantive testimony. We'll have four or five meetings under our belt before the minister comes.

The way this committee was structured, or part of the purpose, was to have dominance, in a sense, over other committees in terms of time. I find it hard to believe that in the two weeks we've had so far, and potentially this week as well, there hasn't been a single hour available. The committee is extremely flexible in what time we make available. It trumps all other committees and all other commitments that MPs have.

I hear the parliamentary secretary's testimony, that we'll see about Thursday, but there has to be a firmer deadline from government as to what is the absolute last time they're looking at. To wait until tomorrow, potentially Thursday, to lose the week, is unacceptable. We don't want to start off on this bad foot, as has happened with previous ministers—around just sitting in front of the committee, a committee that's ready to meet any time.

The Chair: Mr. Warawa.

Mr. Mark Warawa: Thank you, Chair.

I will pass the comments on to the minister. This was the first week of testimony we had scheduled, so we are off and proceeding, and the minister will come as soon as he can.

The Chair: Okay. Let's move on.

We are going to sit here until 6:30. When the bells ring, we'll adjourn for the vote. We'll reconvene after the bells to carry on with either testimony or questions, depending on how far we get. We are going to have some supper. It will be brought in, and it will be here after we come back from the vote. Then we'll proceed with a sort of working supper from that point on until we're done. I hope that works for everyone.

I'll just run through, as a reminder, the rules of engagement for speaking times and witnesses and so on. These come from our routine motions.

First, witnesses will be given ten minutes to make their opening statement. Today I would suggest that's probably ten minutes per department; I'll let you figure that out.

As well, at the discretion of the chair, during the questioning of the witnesses, seven minutes will be allocated to the first questioner of each party, starting with the opposition parties. Thereafter five minutes will be allocated to each subsequent questioner, alternating between parties until each member has had an opportunity to question the witnesses.

So that's the procedure we will be following. Everybody is going to have, I think, lots of questions and lots to say. I would just ask that people try to keep the questions as concise as possible so that we can get as many answers as possible, because we're going to stick pretty tightly to the seven minutes or five minutes per person.

I'd like to welcome the witnesses from the various departments. This is going to be a very information-packed and question-packed

session. I think we're all going to get a lot out of it. It's going to set the basis for a lot of the things we're going to do moving forward in this important consideration that's before us.

I'll start with the list as it's laid out and begin with Mr. John Moffet, acting director general, systems and priorities, with the Department of the Environment.

We'll proceed through all four departments, if we can, and get those statements out of the way. Folks can jot down questions, and then we'll come back to the questions for each individual department afterwards as a group.

Mr. Moffet, the floor is yours for ten minutes.

● (1745)

Mr. John Moffet (Acting Director General, Systems and Priorities, Department of the Environment): Thanks, Mr. Chair.

Actually, if I might request your indulgence, I think we can commit to making all the departmental presentations within a half an hour. I might take a little more time than my colleagues, and they may take a little less than ten minutes. The bulk of the act amends the Canadian Environmental Protection Act, the act that our minister administers along with the Minister of Health. I may have a few more comments to make, but we'll try to keep the comments within the totality of about half an hour.

My colleague from Health Canada, Phil Blagden, doesn't have a presentation to make. He's available to answer any questions anybody may have about the health aspects of the bill.

As members know, Bill C-30 amends three existing statutes: the Canadian Environmental Protection Act, 1999, which I'll refer to as CEPA from now on; the Energy Efficiency Act, which is administered by the Minister of Natural Resources; and the Motor Vehicle Fuel Consumption Standards Act. If anybody can remember the name of that one, they get a surprise at the end of the meeting.

I'll speak to you about the main ways in which Bill C-30 amends CEPA. In order to do that, I am going to spend a few minutes telling you about CEPA itself. For some of you this will be old hat, because you're now experts, having concluded the review of CEPA. For others, this maybe useful before I launch into the specific amendments that the bill makes to CEPA.

A lot of federal statutes address pollutants; however, CEPA is the main framework piece of federal legislation for addressing pollutants. It comprises a number of regulatory regimes. It includes a regime for toxic substances. It includes a regime for regulating fuels and one for addressing nutrients and motor vehicle and engine emissions. It has a complete section that gives the government authority to regulate various environmental issues on federal lands and on aboriginal lands. It has a stand-alone regime for controlling the disposal of waste at sea. It provides a regime for environmental emergencies, and so on.

This is one of the most comprehensive environmental protection statutes in the world. For example, in the United States, the statutes that address the issues that are included in CEPA number at least eight, and probably more than that.

Although the statute covers a number of different regimes, the issue for which CEPA is probably most important, and almost certainly best known, is the toxics regime. That regime is at the heart of the act. Part 1 of the act addresses toxics; parts 3, 4, 5, and 6 address toxics; and part 9 also addresses toxics.

The act provides a comprehensive regime for identifying, assessing, and then managing substances that are found to meet the definition of “toxic”. Essentially, that is a legal definition. It doesn't refer to toxicological properties, it refers to risk to human health and the environment. Risk is a combination of the property of the substance and the potential for exposure, and therefore for harm to human health or the environment.

What the act does is provide a regime for identifying substances. When they're identified and are based on a scientific assessment, where a conclusion is made by the government that the substances need to be managed, those substances are added to what's called the list of toxic substances.

At the moment, under the act, the six greenhouse gases that Bill C-30 proposes to address and the six air pollutants that Bill C-30 proposes to address are on the list of toxic substances. They've been through a risk assessment. In the case of air pollutants, it was a risk assessment done in Canada. In the case of greenhouse gases, it was one that has been the subject of considerable media attention recently, at the international level.

● (1750)

Once the substance is added to the list of toxic substances, the act provides for various authorities to manage the substance in the most efficient manner possible. For example, the government can impose regulations that can restrict or ban completely activities related to the substance. The government can impose a deposit refund scheme. It can establish tradeable permit systems.

The minister has the authority to require a user or a producer or an emitter of a toxic substance to prepare a pollution prevention plan. Under this authority, the minister can't say, “You must reduce by x ”, but the minister can say, “You must prepare a plan and then report it back to Parliament, to the government, to tell us how you're going to prevent emissions from these substances.”

In addition—and here I'm looking at slide 7—the act also provides broad authority to establish various guidelines and codes of practice regarding, for example, industrial processes that would be appropriate to minimize the use or production or emission of these substances.

In addition, there is a completely separate regime in CEPA for fuels and engines. The act provides the authority to regulate fuels and the properties of fuels in order to address air pollution. The act also provides the authority to regulate vehicles and engines. Indeed, there are numerous regulations in place, and more planned for publication in the next year or two, addressing air pollutant aspects of fuels, engines, and vehicles.

In addition to these specific regulatory regimes, throughout CEPA you can find various cross-cutting provisions. Some of these are summarized on slide 8. For example, the act provides the ministers of health and environment with broad research authorities. It also gives the Minister of the Environment in particular the authority to

require members of the public and, in particular, industry to submit information that is in their custody, to support the minister's efforts to identify and assess the substance, determine whether the substance needs to be risk-managed, and then to determine the most appropriate manner in which to manage the substance.

There is a comprehensive enforcement regime at the back that is applicable to any regulation developed under the act. Of course, there are also provisions for equivalency and administrative agreements. We'll come back to those in a minute, but essentially these are mechanisms that the federal government can use to acknowledge that a provincial, territorial, or aboriginal government has in place a regime that will achieve an equivalent outcome. Therefore, we can avoid having overlapping federal-provincial regulation, and just have one regulation in place.

On slide 9 we detail some of the other cross-cutting elements that are important features of CEPA. They were present in the original CEPA that was published in 1988, but they became significantly strengthened as a result of the review the predecessor to the current environment and sustainable development committee conducted in the mid-1990s. As a result of that review, CEPA was considerably strengthened with respect to the obligations it puts on the ministers of environment and health to allow for public participation in virtually every important phase of decision-making under the act.

In addition, the act establishes a national advisory committee comprised of federal, territorial, and aboriginal representatives, to ensure that before any important decision is taken, those representatives are consulted and given an opportunity to provide input. They don't have decision-making authority, but we are obliged to consult with that committee.

Finally, there are various accountability mechanisms built into the act, including an annual report that we publish on the administration of the act, and of course the five-year review. The environment and sustainable development committee, as I understand it, is in the process of preparing the report that would represent the second such five-year review.

● (1755)

Turning to slide 10, in a couple of minutes I think I've tried to sketch for you how CEPA provides a fairly solid foundation for regulating pollutants, including air pollution and greenhouse gases. CEPA would enable us to regulate air pollutants and greenhouse gases as toxic substances.

What would Bill C-30 do? Bill C-30 would amend CEPA in two significant ways. First of all, it would amend various provisions in CEPA, tailor them a little bit better to ensure that they are more directly applicable to air pollutants and greenhouse gases. In addition, Bill C-30 would establish a clean air part, a new part in the act specifically designed to allow the government to collect information about air pollutants and GHGs and to develop risk management regimes, in particular, regulatory regimes, specifically for greenhouse gases and air pollutants.

The next eight slides summarize the key ways in which Bill C-30 would amend CEPA. First of all, in terms of the scope of Bill C-30—looking at slide 11—the first important change is that the bill explicitly states that air applies to indoor and outdoor air. So wherever you read “air” in CEPA, if Bill C-30 were to pass, you would read “indoor and outdoor air”. For example, any of the research authorities, any of the information-gathering authorities, or any of the regulatory authorities could be applied to indoor air. And of course, most of us spend most of our time indoors rather than outdoors. While outdoor air certainly poses significant health risks to Canadians, so does indoor air, indeed maybe more so, if you care to ask my colleague from Health Canada.

The bill would also slightly amend the current definition of “air pollution”, but it would still be broad enough to include smog, acid rain, and climate change. It would define air pollutants as the items listed on slide 11: particulate matter, ozone, volatile organic compounds, gaseous ammonia—these are all smog precursors—nitrous oxides and sulphur dioxides, which contribute to smog and acid rain, and mercury. As I mentioned earlier, each of these items is currently listed as a toxic substance. Were Bill C-30 to pass, these items, with the exception of mercury, would be removed from the list of toxic substances and would be managed and regulated as air pollutants alone. Mercury would remain on both lists because of course it's a problem in water and soil as well as in the air.

Similarly, the bill would define the six greenhouse gases as greenhouse gases that are currently on the list of toxic substances. In late 1995 the government added those six gases to the list of toxic substances, giving the government the authority to regulate them under the toxic substances provision. What Bill C-30 would do is take them off the list of toxic substances and define them as a greenhouse gas, and then enable the regulation of those substances under the new clean air part as a greenhouse gas.

In addition, the bill would give the Governor in Council the authority to name additional substances either as an air pollutant or a greenhouse gas, provided that the Governor in Council was satisfied that the substance contributed, or was capable of contributing, to air pollution—in other words, smog, acid rain, or climate change.

Slide 12 summarizes the way in which the bill would establish an accountability regime specifically tailored to air pollutants in greenhouse gases. At the moment, CEPA enables the minister to establish environmental quality objectives, publish a state of the environment report, publish a summary of emissions from large sources in Canada, and provide an annual report.

• (1800)

Those obligations would stay. But in addition to those, Bill C-30 would require the ministers to set ambient air quality objectives. In other words, we're not talking about an emission limit. We're talking about how much of this stuff do we want in the air? What's the ideal limit for these two major smog precursors?

It would be a benchmark against which future governments would be assessed by their colleagues and by the government in terms of the success at reducing emissions. It would also require the ministers to monitor the attainment of those objectives on a regular basis, and it would require the ministers to report annually on a bunch of things about which they're not currently required to report.

On attainment of air quality objectives, it would require an annual report on air quality in Canada. It would require a report on the effectiveness of actions that are being taken by all governments in Canada, not only by the federal government but by all governments.

We're not giving the federal minister the authority to intervene in a province and say they must do A or B. But the bill would give the ministers of the environment and health the obligation to report on the effectiveness of actions that are being taken by all levels of government in Canada, in recognition that all levels of government have a direct impact on air quality, and of any plans that the ministers have for additional actions to improve air quality.

Next are the expanded authorities that the bill would give to the ministers to conduct research and to monitor and gather information on air issues. There would be expanded and tailored authorities to do research and information-gathering on air issues.

The Minister of Health in particular would receive expanded authorities to do these kinds of activities. At the moment, the Minister of Health's authority to do research and collect information under CEPA is actually quite limited. Of course, not so much on the greenhouse gas side but on the air pollution side, we're primarily talking about health issues. The authority of the Minister of Health would be considerably expanded on the science side of the issue, both to understand the issue and in order to be able to monitor the ongoing impacts of government interventions. For example, there would be a new authority to conduct biomonitoring.

In addition, there's the proposed expansion in the government's regulatory powers. At the moment, as I indicated earlier, under the toxics provisions and under the fuels, engines, and vehicles provisions, CEPA provides fairly broad authority to regulate air pollutants and greenhouse gases as toxic substances.

Bill C-30 would do a couple of things. First, the authority wouldn't be tied to the linkage to toxic. The authority would be given to these substances as to what they are, air pollutants and greenhouse gases.

Second, the authorities that you find in proposed part 5.1, in the clear air part, have been tailored to air pollutants and greenhouse gases.

For example, there are certain authorities that may be appropriate regarding the kinds of requirements that one might want to include in a regulation about how a “regulatee” should monitor or report on emissions. It's very hard to report in many cases precisely on what is coming out of the stack. In many cases, mathematical modelling is required. We don't want facility A to use a different model from facility B, so we might want to be able to specify the kind of modelling that's done. We don't have the authority now. It would be provided in the new bill.

●(1805)

A significant enhancement would be the ability to regulate products that create air pollutants. At the moment, we can regulate products that contain and emit air pollutants, but we can't regulate a product that doesn't contain an air pollutant. A wood stove is a good example. A wood stove is an inert piece of metal or cast iron. There's nothing wrong with a wood stove when it's sitting there. When you put wood in it and you fire it up, particulate matter and other stuff come out of the chimney. We can't regulate the way a wood stove is designed at the moment, because there's no toxic substance in the wood stove. What we would like to be able to do is regulate the way a wood stove is designed to ensure that it is as efficient as possible, to minimize the particulate matter and other smog-causing emissions it creates.

The Chair: Mr. Moffet, I'm not going to cut you off, because it's good information, but we are at the 20-minute mark so far.

Mr. John Moffet: I'm getting nasty stares from my colleagues as well.

I'm almost done.

Slide 15 outlines another set of improvements that Bill C-30 would make to CEPA. The act currently provides the Governor in Council with some flexibility to develop regulations that apply different standards to different parts of the country, based on health or environmental concerns. So the objective would be to provide an equivalent national outcome in terms of environmental or health outcomes. In order to do that, you might need to have regionally differentiated regulations, because, for example, you may have more concentration of industry or emissions in one part of Canada than in another.

Bill C-30 would expand that in two ways. First, it would make it clear that regulations that focus on one or more provinces in particular could be developed. So a region could be defined as a province. That would enable the government, for example, to recognize the fact that a province may have already regulated the air emission—whether it's a greenhouse gas or an air pollutant—to a level that is adequate. Therefore federal regulations need not apply in that area.

In addition, the bill would enable the government to write regulations that distinguish among regulatees on the basis of certain characteristics, like the technology that they use, or the age of the facility. We're not saying, in this bill, that the minister must do that; we're not saying that the minister would ever do that. But this would give the government the authority to do that.

For example, we know that other jurisdictions, including the United States, make this sort of differentiation between, for example, new and old facilities, requiring a new facility to be built at a certain level, but recognizing that you'd be imposing inappropriate or unaffordable costs on an old facility if you required the old facility to immediately upgrade its technology.

Slide 16 summarizes the way in which the bill addresses an oversight in the current regulatory authority provided regarding fuels. We can regulate the producers. We can regulate the gas stations. But we can't actually regulate the intermediate place at which fuel blending occurs. If we want to regulate fuel content to

ensure that fuel contains, for example, a certain proportion of renewable energy, then the most efficient way to do that would be to enable us to regulate at the point of blending, and we can't do that. Bill C-30 would enable us to do that.

Bill C-30 would also fill in a couple of small issues we've identified that currently inhibit the government's ability to establish an efficient emissions trading regime. CEPA currently enables us to set up emissions trading, but doesn't enable the ministers to do that in the most efficient manner possible; for example, it doesn't enable the minister to specify maximum and minimum penalties that would be applicable. The bill would correct that problem.

The bill would also clarify that the test for equivalency is not a form test. It's not, "Do you have a regulation in place?" but rather, "Do you have a legal regime in place that will ensure the equivalent environmental or health outcome?" The bill is saying that the ministers aren't in the business of overseeing the provincial governments by saying they need to have a legal instrument of a certain kind. The test is not, "What do you have in place?" but rather, "What would be the effect or the outcome on environmental and human health?" If it's equivalent, then that's good enough.

Finally, on the cross-cutting elements I spoke about, the entire enforcement regime, all the public participation authorities and obligations that are imposed on the government, and the ongoing role of the national advisory committee, which provides for provincial, territorial, and aboriginal input into decision-making, all of those features of CEPA would continue to apply to actions taken to address air pollutants and greenhouse gases.

●(1810)

Indeed, many of the provisions you see in Bill C-30—if you've actually tried to wade through the bill—simply add air pollutants and GHGs to those cross-cutting provisions. They're not changing those provisions substantively; they're just ensuring that all of those provisions apply to air pollutants and GHGs.

I'll stop there. I appreciate that I've gone overtime; I've covered a lot of ground. We'll be here after the vote to answer to answer any questions you have.

The Chair: That was very thorough. Thanks, Mr. Moffet.

I suppose the natural progression here is to go to the Department of Natural Resources. Ms. Carol Buckley is with the Office of Energy Efficiency.

We have about 16 minutes before the bells ring, when we will cut it off.

Ms. Carol Buckley (Director General, Office of Energy Efficiency, Department of Natural Resources): Thank you very much for the introduction and the opportunity to meet with the committee. I promise I won't talk until the bells go.

I'm here to speak to the proposed changes to the Energy Efficiency Act, as described in the Clean Air Act. The Energy Efficiency Act was brought into force in 1995.

Canada regulates more products than any other country in the world: we regulate more products than the EU; we regulate more products than the APEC countries; we regulate more products than our closest competitor, the United States, who regulates 30 products while we regulate 45. As well, our regulations are among the most stringent in the world. The European Union is bringing in a refrigerator standard that we have had in place for five years; 6% of EU motors can meet the motor standard that we put in place in 1997.

We can see that we're making progress in regulating energy efficient equipment in Canada. The big household appliances use less energy per unit than they did in 1990, and even though there's more of them, they use less overall energy, not just unit energy.

However, we have a lot of work left to do. With the proliferation of electronic goods—the plug-in goods, the DVDs and television sets and computers, and the things that proliferate in our homes and in our offices—the energy use of these products has overtaken the gains we have made in energy efficiency in home appliances and lighting and other areas. So the proposed changes to the Energy Efficiency Act by the Clean Air Act will have us regulating 20 new products and strengthening the energy efficiency regulations for 10 existing products.

I'm going to take you through five proposed changes to the Energy Efficiency Act itself, as proposed in the Clean Air Act, starting on slide 22. These will strengthen and broaden our ability to regulate energy-using products.

The first change that we propose to the Energy Efficiency Act is that we be given the authority to regulate by class of product. Instead of regulating every product one by one, we're seeking the authority to be able to identify classes or families of products based on their common characteristics. The best example I can give you is the one I just mentioned, that of all this plug-in equipment. If we can regulate consumer electronics according to their standby power losses, we will be part of an important international program, i.e., IEA-led and G-8 program, to monitor energy use when our pieces of equipment are off—which can actually use as much as 25 watts when not on. And if we have 25 of these pieces of equipment on average in Canadian households, think of all the energy waste that's going on.

So we would like to regulate these very efficiently and flexibly by class of product. That way we can keep up with the fact that the technologies are changing very quickly.

The second change that we're proposing—on slide 23—to the Energy Efficiency Act is to give us the authority to regulate products that affect or control energy use but aren't necessarily energy-using themselves. The examples I'll give you are electronic thermostats instead of mechanical thermostats. They have the potential to reduce energy use in a home by 5% to 14%, if it's an electrically heated home. Another example is a little gizmo in commercial dishwashers that's a very simple piece of equipment but that has an enormous impact on how much hot water is used, and therefore how much energy is used in commercial dishwashers. Right now we can't get at them because they're not energy-using products, but they do affect energy use. So that's the second change we would like to bring forward to the Energy Efficiency Act.

The third change—also on slide 23—is to broaden the labelling provisions under the Energy Efficiency Act. Currently we can speak to the form and manner of labelling, but we would like to be able to tell consumers more about the energy consumption and to have the regulatory authority to do that.

Turning to slide 24, the proposed amendment to the Energy Efficiency Act would require that all shipments of products in Canada meet the federal energy efficiency regulations. Currently we can regulate goods that are imported and sold, and we can regulate goods that are manufactured in one province and shipped to another, but we don't have access to regulate products that are imported and then shipped to another province. That's a bit of a gap, and we'd like to correct that gap.

● (1815)

The fifth proposed amendment to the Energy Efficiency Act has to do with information that we need to get from shippers in order to ensure that people are complying with the energy efficiency regulations. The Standing Joint Committee for the Scrutiny of Regulations opined that we did not have the proper legislative authority to get all the data we need to properly monitor Canada's energy efficiency regulations. So we would set that right with this proposed amendment to the Energy Efficiency Act.

In summary—on slide 26—these are important regulatory proposals. They would put Canada clearly in the leadership in the world with regard to regulating energy efficiency in these types of products. We would be regulating over 80% of the energy used in the home and about 80% of the energy used in a commercial setting.

I'll be happy to answer any questions after you return.

Thank you.

The Chair: Thank you very much, Ms. Buckley.

We'll move to Transport Canada, to Ms. Guylaine Roy, director general, environmental affairs; and Madam Catherine Higgins, director, environmental initiatives division.

The floor is yours.

Mrs. Guylaine Roy (Director General, Environmental Affairs, Department of Transport): Thank you very much. I will give a brief presentation.

Bill C-30 amends the Motor Vehicle Fuel Consumption Standards Act. I will refer to it as the MVFCSA, because it's too long to keep going with that title.

The Motor Vehicle Fuel Consumption Standards Act is a federal act that was adopted by Parliament in 1982, but it was never proclaimed. Instead, there was a voluntary regime for the industry to meet fuel consumption standards for vehicles sold in Canada. I thought it was important to clarify that it's federal legislation that was adopted by Parliament in 1982 but it was never proclaimed.

I will go through the amendments in numerical order. There are five sections that are being amended, so I'll go quickly through them.

Section 3, as amended, is the regulatory authority section. The amendments would modernize the regulatory authority of the legislation. There is currently authority to make regulations under the act. What we're doing here is adding a further authority, or a clarification, that addresses the use of a method to establish fuel consumption standards under the act. As I said, right now there is authority to set regulations; we just wanted to clarify that through the regulatory authority you could set the standards through a formula through regulations.

Section 5 is being amended. It's about the coming into force of the regulations. The proposed amendments would repeal section 5 in order to remove the minimum timeframe of 24 months plus one day between the publication of the regulations in *Canada Gazette*, part II, and the coming into force of new regulations in the event of industry objections to the regulations. With this amendment, the government would have increased flexibility to introduce regulations, as appropriate.

The current act provides that if you have regulations published in *Canada Gazette*, part II, they cannot come into force for 24 months plus one day if there's an objection by the industry. So the amendment would provide flexibility by removing that provision. If you go 23 months or 22 months, your regulation could come into force within a timeframe that you deem appropriate.

Section 24 is being amended. This is the search power provision. The amendment would modernize the current search power of the MVFCSA by requiring an inspector who does not have the consent of the owner of a place to obtain a search warrant before entering a dwelling place. It also modernizes the search power provisions by indicating that an inspector can use a computer system at the place, or can reproduce material that can be printed out, or can use copying equipment. As I said, the act was adopted in 1982. At that time, there were not the computer systems that we have right now. So this is simply to modernize these types of provisions.

The amendments would also modernize the language of the provisions to reflect current drafting practices.

Subsection 27(2) is amended. The amendment removes the current reference in the MVFCSA to the use of information obtained under this act in criminal proceedings under another act of Parliament. Again, this is to modernize the legal drafting of such a provision, since the act is 20-some years old.

Finally, the amendments propose to amend the coming-into-force provision of the act. As it is right now, the act comes into force by way of proclamation. The current drafting proceedings provide that acts come into force by order in council, not by proclamation. It's a matter of modernizing the way in which legislation is drafted.

So these are the five provisions that are amended under Bill C-30 to amend the Motor Vehicle Fuel Consumption Standards Act.

Thank you.

● (1820)

The Chair: Thank you very much. I appreciate that. That's a lot of information: there'll be a test later.

We have about five minutes before the bell rings, so I would ask for your indulgence for a few minutes so that we can deal with the first report.

My apologies, members; there's a little bit more work to do on this. A couple of other things are missing.

● (1825)

The Clerk: Yes.

My apologies for this. I took these right off the printer on my way to the committee meeting, and there are a few omissions. I will attempt to correct those, and hopefully I'll have a final version for you soon.

The Chair: Mr. Cullen, go ahead.

Mr. Nathan Cullen: This is something quick that I meant to mention before, when we were at subcommittee. It was pointed out by some who were looking at the list that we haven't explicitly said that we will try to use videoconferencing technology as much as possible. Some of these witnesses are from very far away.

So just some direction from the committee that it's to be considered...that whenever possible, it's encouraged, that type of thing, when we're talking to witnesses. Some are coming from the U.S., and there have been suggestions that some people come from Europe and even further.

The Chair: I think we had addressed that we would use videoconferencing, had we not, when we had our initial organization meeting?

Mr. Nathan Cullen: I would just like to make sure that the committee's aware of it.

The Chair: That we use it where it's appropriate or necessary.

Mr. Watson.

Mr. Jeff Watson (Essex, CPC): Mr. Chair, am I to gather, then, by what the clerk is saying, that we're not prepared to discuss specific content yet? I had a recommendation with respect to witnesses.

Are we going to discuss that later, or can we talk about that now?

The Clerk: Mr. Chair, there are a couple of sections missing. For instance, for the meeting on Tuesday the 13th, there's a panel on international experience that was agreed upon. That hasn't been included. As well, the actual witnesses on air pollution, where it says "to be determined", are the other ones scheduled for the 13th and the 15th. The only one missing is the international experience one for the morning of the 13th.

The Chair: It may answer your question, I don't know.

Mr. Jeff Watson: Actually, it does in one respect, but I wanted to draw attention to the transportation one for tomorrow afternoon. I don't know whether this would require a motion to add somebody as a potential witness.

The CVMA typically represents the Big Three automakers, not the Asian or other import automakers that are here in Canada. I'd like to recommend that the Association of International Automobile Manufacturers of Canada be added to the list. I know that they would be prepared to meet at that time slot if the committee's amenable.

I don't know whether I need to leave that with the steering committee or whether I should make a motion to that effect to amend this. I'll take the direction of the chair on that.

The Chair: No, a motion would be appropriate. We'll get to that.

Quickly, Mr. Cullen.

Mr. Nathan Cullen: I wasn't going to speak specifically to that, but I can.

It's something we'll obviously need, because the time is pressing that the committee agrees to what's happening tomorrow, in essence, without adopting the entire process. I know it's a formality, but it's important.

As a caution on the invitations, I appreciate Mr. Watson's struggle with invitations at the last minute. As committee members and as subcommittee members, we are going to be constantly petitioned by groups—and this is not casting aspersions on the group that approached Mr. Watson—and individuals and Canadians to get involved in the Bill C-30 process. We've all agreed to a deadline for this bill coming back, so it's going to take some discipline from the committee not to accept people new to the list at the last minute or once the subcommittee has made a decision and the committee has accepted it.

So I put that note of caution out for all of us. We'll be hearing it, if we haven't already. There'll be more, it's going to make for a very onerous process, and it will go on forever.

•(1830)

The Chair: Perhaps the chair can make a suggestion. We may want to deal with this at the end of the meeting tomorrow, as long as we agree on tomorrow's—

Hon. John Godfrey: Well, no, if the suggestion is that there are some witnesses who need to come for tomorrow afternoon, we should probably know that tonight, to get them here or to get them prepared.

The Chair: Monsieur Bigras was first, then Brian.

[*Translation*]

Mr. Bernard Bigras: Mr. Chair, I'll be brief. I believe this list was established based on a consensus and a compromise by everyone in each of the political parties. It wasn't easy to prepare this list. Could we suggest to the witnesses who would nevertheless like to be heard that they agree to file a brief? I think that might enable us to get the opinions of those who aren't necessarily invited, but who could nevertheless give us their views by filing a brief with the committee. It isn't easy to come up with an exhaustive, consensus-based list.

[*English*]

The Chair: Mr. Jean.

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): Thank you, Mr. Chair. I just want to speak to that particular issue as well.

We have, on the Conservative side here, an ex-auto worker who can bring a lot to the table as far as transportation is concerned. We have three witnesses for tomorrow. He has said that this particular group, which seems to be appropriate, since we have a huge amount of manufacturers of foreign vehicles in Canada, could come tomorrow and be part of this discussion.

Most days we have four or five witnesses. I don't see the problem of having somebody along who would actually bring, I think, greater benefit than another person who is on the list for tomorrow, quite frankly.

The Chair: The committee can add a witness with a motion and consent.

Mr. Watson.

Mr. Jeff Watson: Mr. Chair, I'd like to move, then, that we add the Association of International Automobile Manufacturers of Canada to the afternoon session on transportation tomorrow, February 6.

The Chair: That's a fairly simple motion. We don't have a lot of time to discuss it. Are we prepared to make a decision on that?

Okay.

Then the motion is—

The Clerk: The motion reads:

That the Association of International Automobile Manufacturers of Canada be invited to the afternoon meeting of February 6th, 2007, to present to the Committee.

(Motion agreed to)

The Chair: We'll make the appropriate contacts.

Mr. Godfrey.

Hon. John Godfrey: I have one more—and I apologize to Monsieur Bigras, because I was at the steering committee.

One of the things we've been trying to do is find people who are actually outside the unions or the automakers, but who actually know something about automobiles. We tried to get a guest named Daniel Sperling, from California, but it was very much last-minute.

We have put on one NGO representative who knows a lot about air pollution, in the form of John Bennett from the Climate Action Network. He's somebody from the NGO community who knows an awful lot about the auto sector, so I would like to put his name forward. I realize we're scrambling a bit because we're coming right up to a deadline. I don't plan to make a habit of this, but I would like to throw this person in because we don't have anybody actually commenting on the industry itself, other than people who are directly affected by it.

So I would move that, and then we can vote on it or whatever.

The Chair: Mr. Warawa.

Mr. Mark Warawa: Thank you, Chair.

The position within the steering committee was to have good representation from the NGOs, from academia, and from industry. We do have a representation from the NGOs, that being Mr. Ogilvie. To now add an additional NGO at the last minute is, I think, against the spirit of cooperation that was achieved in this—

An hon. member: [*Inaudible—Editor*]

Mr. Mark Warawa: Well, that's why I'm speaking. I hope we continue the spirit of cooperation here.

The Chair: Okay, Mr. Cullen, you have about one minute.

Mr. Nathan Cullen: I think this speaks well to other committee members who don't sit on the steering committee to communicate as best they can the types of witnesses they really want to put forward and which ones are priority. I just put that out there.

In terms of this, we just put two auto industry people in front of the committee, so we are trying to establish balance at our panels, not to have too much weighting on one or the other. If we've just put an additional NGO, then the balance seems fine for tomorrow. But this has to be with diligence and discretion, folks. We can't keep doing this, because it's going to be a mess quicker than you think.

• (1835)

The Chair: The motion is to add John Bennett of Climate Action Network Canada to the witness list for tomorrow afternoon.

(Motion agreed to)

The Chair: This committee will suspend until after the vote.

• _____ (Pause) _____

•

• (1925)

The Chair: We do have quorum. There are a couple of announcements. Let's get this show on the road.

We have a little fire in the background. We can turn all our chairs around, get out the wine and cheese, and roast some marshmallows—or we can get to work, which I think we'll do.

Now, some work has been done since we suspended. The clerk will go over the witness situation for tomorrow.

The Clerk: Thank you, Mr. Chair.

The notice for tomorrow night's meeting has been modified and republished to reflect the two new witnesses who were added. Mr. Bennett and Mr. Adams have both been contacted. I talked to them both personally. They both accepted to appear before the committee tomorrow, so the notice reflects as such.

The Chair: Okay.

I would like to remind folks that the first round will be seven minutes each and then five minutes thereafter. If we go through the twelve rounds and everybody is precisely on time, we'll have 68 minutes worth of dialogue. Hopefully we'll be out of here by a quarter to nine or nine o'clock. I'd ask everybody to be as precise as you can to get in as many questions and answers as we can.

If the witnesses are ready, we will start with Mr. McGuinty.

Mr. David McGuinty (Ottawa South, Lib.): Thank you very much, Mr. Chair.

Good evening to the witnesses, to the ladies and gentlemen in the room, and to the Canadians who might be watching.

I'd like to begin, Mr. Chair, by sharing some information with the witnesses. This is an information book that was sent to me as a parliamentarian and it is available to all Canadians. It's about Canada's Clean Air Act, the new bill that the government has put forward, which we're debating.

I've gone through the bill with a fine-toothed comb. I have looked at the backgrounders. There are two backgrounders. One backgrounder speaks about greenhouse gas emissions. One even goes as far as talking about international standards established by the International Maritime Organization, for example. Another one cites the Minister of Health, the Honourable Tony Clement; the then Minister of the Environment, the Honourable Rona Ambrose; the Minister of Natural Resources, the Honourable Gary Lunn; and the Honourable Lawrence Cannon, the Minister of Transport.

There's another backgrounder on why we need the Clean Air Act. There's yet another backgrounder on the need for immediate action. We just heard from you and saw a presentation that is 34 pages in length. Furthermore, the bill itself is 37 pages in length.

In all of this material—in all of these backgrounders, in the bill, in your briefing—there isn't a single reference to the Kyoto Protocol. There was no mention of the Kyoto Protocol in your presentation. There's no mention of domestic or international targets, no mention for Canadians as to when we ratified the protocol, when it entered into force, whether or not the bill addresses directly, for example, the Kyoto Protocol clean development mechanisms or the joint implementation structure in that bill.

The question I have for each of you, representing different departments, is a simple one. Have any of you been explicitly told by your departmental senior officials or your ministers not to include the Kyoto Protocol in any of your discussions about this bill?

That's my first question, Mr. Chair.

• (1930)

The Chair: Mr. Moffet, your mike is on. Perhaps you would start.

Mr. John Moffet: No, I haven't received any such instruction.

The Chair: Ms. Buckley.

Ms. Carol Buckley: No, no such instruction.

Mr. Phil Blagden (Manager, Air Health Effects Division, Department of Health): No, I've never been so instructed.

The Chair: Ms. Roy.

Mrs. Guylaine Roy: No.

Mr. David McGuinty: That's question one. Thank you.

My second question is along the lines of the following. It has to do with the fact that we've just come out of a vote in the House of Commons where the motion put forward by the official opposition was passed. It calls upon Parliament to uphold the Kyoto Protocol in its entirety—its obligations, its targets, Canada's responsibility to move beyond post-2012—and to lead the planet in a global response.

I also want to read a quote that comes from the House of Commons today, when the Minister of the Environment was asked a question, Mr. Chair, about the Clean Air Act. One of his answers was that, "Kyoto is all about a global effort to reduce greenhouse gas emissions all around the world and right here in Canada." That's a verbatim quote from only several hours ago in the House of Commons, in answer to a question.

Most Canadians would be forgiven for asking why it is that there is an elephant in this boardroom called the Kyoto Protocol and it is not being referred to. None of you apparently have ever received instructions of any kind not to talk about the Kyoto Protocol.

I'm going to ask you another question, and it has to do with the federal government's powers. Does the federal government today possess all of the powers necessary to comply with the obligations we undertook as a nation and as a people under the Kyoto Protocol?

Mr. Brian Jean: On a point of order, Mr. Chairman, are these witnesses expert on constitutional law, or—? I just don't understand what reference they could have to whether or not it's binding.

The Chair: I will say that these are technical witnesses. If we start getting into areas of policy, then they should be reserved for the minister.

Mr. David McGuinty: This is a very technical question put forward to very expert witnesses, Mr. Chair.

The Chair: I understand, I'm just advising that if we start crossing into policy areas—

Mr. Moffet.

Mr. John Moffet: I think the answer you're going to get from each of us will probably be an answer about the existing authorities under the statutes that are administered by each of our departments. The question of whether in totality those give the government adequate authorities I think is a question that's probably beyond each of the witnesses, and that indeed would have to include other authorities such as the fiscal powers within the Government of Canada.

In terms of the legal capacity to regulate emissions of greenhouse gases from major sources in Canada, the Canadian Environmental Protection Act provides broad authority to regulate the six greenhouse gases that are currently named on the list of toxic substances.

The Chair: Did you want some of the others to answer, Mr. McGuinty?

Mr. David McGuinty: Please, if they might, yes.

The Chair: Ms. Buckley.

Ms. Carol Buckley: My area of expertise doesn't cover all the areas that would be required to meet international obligations, so I

can't give you a complete answer. It's just not a fit. The Energy Efficiency Act, which I am here to speak to, wouldn't in and of itself give us the authority to meet the obligations.

• (1935)

The Chair: Madame Roy.

[*Translation*]

Mrs. Guylaine Roy: I can say that the federal government has the power to amend the Motor Vehicle Fuel Consumption Standards Act and to introduce amendments, but the purpose of my appearance is to provide technical information on the amendments to that Act. I'm not able to go any further and to talk about international obligations under the Kyoto Protocol. The purpose is to provide technical information on the amendments to the Motor Vehicle Fuel Consumption Standards Act.

[*English*]

Mr. David McGuinty: How's my time, Mr. Chair? One minute left?

The Chair: No, four seconds.

Mr. David McGuinty: Very quickly, then, is there anything in Bill C-30 that corrects or provides for the new government any kind of new power that explicitly is there to meet our Kyoto treaty obligations?

The Chair: Mr. Moffet, a short answer to that.

Mr. John Moffet: What I had tried to do was explain to you the ways in which Bill C-30 enhances the existing powers in CEPA. Those authorities can be used by the government to address emissions of greenhouse gases. In some cases those authorities expand the government's ability to regulate. For example, as I had described, there would be a capacity to regulate products that create emissions.

So to a certain extent, there is an expanded capacity. By and large what the amendments do is improve the government's ability to regulate in as efficient and effective a manner as possible.

I make those qualifications of effective and efficient regardless of whether the government's objective would be to meet Kyoto or not. With these amendments, the government would still be able to attain whatever objective it had set for itself in a more effective and efficient manner.

The Chair: We'll move on to Monsieur Bigras.

[*Translation*]

Mr. Bernard Bigras: Thank you, Mr. Chairman.

The purpose of all of my remarks will, ultimately, to understand why we need Bill C-30 to combat climate change.

On page 12 of your document, you talk about establishing a federal accountability regime for reducing our pollutants and greenhouse gases, and you tell us that we need Bill C-30 to expand powers and establish national objectives, which incidentally will take three years. This states: "...establish national objectives within three years...".

I therefore ask you whether it is possible to establish an accountability regime for greenhouse gases under the Canadian Environmental Protection Act.

I suppose that, in recent years, the government has given you a mandate to establish accountability regimes. In the current context, under the present regulatory and legislative frameworks, can we come up with an accountability regime for greenhouse gases?

[English]

Mr. John Moffet: Thank you.

[Translation]

I'll answer in English, with your permission.

[English]

Under the current act, there are various authorities the government could use to put in place an accountability framework. The current act authorizes the ministers to establish environmental quality objectives, so the ministers could establish objectives under the current act. Under the Department of the Environment Act, the minister could presumably report on progress, if he or she chose to do so.

What this act does is it would require the minister to issue an annual report on air quality. It would require the minister to comment on the effectiveness of actions taken by all governments in Canada. It would require the ministers to identify any additional actions they're taking.

So while there would be discretionary authority that exists under existing statutes that would enable the government, if it so chose, to establish an accountability regime, this act would compel the establishment of at least a rudimentary accountability regime.

● (1940)

[Translation]

Mr. Bernard Bigras: I have another question, Mr. Chairman.

Going back to page 17 of your presentation, you referred to the government's ability to establish emissions trading schemes. So I'm speaking to the representatives of Natural Resources Canada. I know you've previously stated working hypotheses and that working documents are available on the website concerning the implementation of an emissions trading mechanism. Under the present act, would we be able put an emissions trading mechanism in place quickly without having to go through Bill C-30? Is Bill C-30 essential in order to implement a domestic carbon market in Canada?

[English]

Mr. John Moffet: The Canadian Environmental Protection Act, the current CEPA, in section 326 provides the government with the authority to include regulations for tradeable-units systems in regulations it develops for toxic substances. So given that greenhouse gases are currently listed as toxic substances, the government could establish a tradeable-units system in any regulation it develops for those greenhouse gases. What Bill C-30 does is it improves the ability to set up an efficient tradeable-units system.

For example, ideally you would want to be able to impose an automatic penalty for a unit that is being traded under this system so that if a regulated entity was emitting x units over its allotted amount, it would know what the penalty would be. At the moment under CEPA, we can't do that. The bill would allow the minister to develop a regulation that identifies minimum and maximum penalties.

That's a long way of saying that, yes, we could establish an emissions trading regime. Bill C-30 would enable the government to establish a more efficient trading regime.

The Chair: You have 30 seconds.

[Translation]

Mr. Bernard Bigras: That's short.

I'll ask you a question very sincerely. Ultimately, without Bill C-30, are we able to act more quickly and to regulate the major industrial sectors if necessary? Can we achieve the objectives of Bill C-30 more quickly either by regulation or directly through the Canadian Environmental Protection Act? Won't implementing this system under Bill C-30 ultimately delay compliance with Kyoto Protocol commitments rather than bring us closer?

● (1945)

[English]

The Chair: Answer briefly, if you could, Mr. Moffet.

Mr. John Moffet: I think the answer is that Bill C-30 shouldn't have any impact on the timing of the government's action. The timing of the government's action is up to the government and the members of the House of Commons. Regulations could be developed under CEPA and then rolled over under Bill C-30, or if Bill C-30 were passed, regulations could be developed under Bill C-30.

We don't write regulations in a matter of a week or two. Regulations take months and months to write. Work has started already and—

The Chair: Your time is up, Monsieur Bigras, I'm sorry.

We'll go to Mr. Cullen and then to Mr. Warawa.

Mr. Nathan Cullen: Thank you, Mr. Chair.

You can tell that the pace of this is quick. I'll try to keep my questions short, and perhaps the witnesses will do the same in their answers.

How far above our Kyoto targets are we right now? What's the latest number we have, by percentage?

Mr. John Moffet: I'm afraid I don't know. I can give you information on the act and what the act provides.

I'm not trying to duck the question; I honestly don't know the answer.

Mr. Nathan Cullen: Just for the record—we'll get to this later, I hope, as well—it's some 28% above. But 6% below is what we were intending to do.

I'm looking at the Commissioner of the Environment's audit of Canada's efforts around Kyoto and climate change, and I'll quote from page 13:

The government urgently needs a believable, clear, and realistic plan to significantly reduce greenhouse gas emissions. It must establish and commit to short- and long-term national goals.

Are there any short- or long-term—or medium-term—national goals in this document that you gave us tonight?

Mr. John Moffet: The bill itself does not articulate any specific emission reduction goals.

Mr. Nathan Cullen: So for the government to claim—It's often been asked the plan, about seeking a plan for climate change, and the government has often referred to this bill as the plan.

With no targets at all, notions of a cap-and-trade system, or notions of meeting our Kyoto Protocol, it's baffling to suggest that this is a plan. This is an act that affects aspects of CEPA, but it doesn't lay out a single target for any major polluter in Canada. It creates more ability, but—It's frustrating.

Through the amendments right now, previously under CEPA, to regulate greenhouse gases, did that decision eventually have to go to the cabinet level to be regulated, to be capped? When was the final decision made? If the government were at any point to say we are going to cap emissions for a certain industry or a certain sector, if you're doing it through CEPA, does that eventually end up on the cabinet table?

Mr. John Moffet: Most likely yes. Technically, that's not necessary in that a regulation is administered by the Governor in Council. Typically, however, a regulation with that magnitude of significance would be discussed at cabinet.

Mr. Nathan Cullen: Under the toxics regime, how many chemicals actually ended up going through cabinet and receiving virtual elimination under CEPA, under the number of years, ten years? How many times did cabinet actually decide to regulate a toxic to virtual elimination?

Mr. John Moffet: There is a regulation called the prohibition of certain toxic substances regulations. Technically, that's not virtual elimination, which is a very specifically defined issue.

Mr. Nathan Cullen: Yes, so specifically virtual elimination, how many toxics actually made it through the cabinet process?

Mr. John Moffet: One.

Perhaps I can just explain that the prohibition regulations actually go further and ban a substance, whereas virtual elimination is not banning a substance. And quite a few substances have been banned under CEPA.

Mr. Nathan Cullen: Consultations are important. How long have we consulted with industry when it comes to this issue of climate change and greenhouse gas emissions?

• (1950)

Mr. John Moffet: The Government of Canada?

Mr. Nathan Cullen: The Government of Canada.

Mr. John Moffet: Well, the Government of Canada and the Canadian public have been discussing this issue for—

Mr. Nathan Cullen: No, no, the Government of Canada specifically through your departments having round tables, consultations, direct consultations with industry about the emission cuts that were being proposed or suggested: how long have we been doing it? Has it been months, has it been years?

Mr. John Moffet: Years.

[Translation]

Mrs. Guylaine Roy: As I said earlier, the Motor Vehicle Fuel Consumption Standards Act wasn't proclaimed in 1982. It was passed by Parliament, but not proclaimed. Since then, there has been a voluntary standards regime for the automotive sector.

The government announced regulations for the automotive sector in October, and consultations started with the automotive sector that same month. I wanted to clarify that.

[English]

Mr. Nathan Cullen: It needs to be understood that under previous governments and this one, consultations with industry have gone on for years.

You mentioned something important, Mr. Moffet—that the act right now allows a minister to force companies to prepare a plan for emission reduction but does not set the amount.

Am I hearing that right?

Mr. John Moffet: One of the authorities in the act, under part 4, allows the Minister of the Environment to require, for example, a company that's emitting a substance—

Mr. Nathan Cullen: Like GHG.

Mr. John Moffet: Yes. So if the minister chose to use that authority, the minister could tell company X, lower your GHGs; you must prepare a pollution prevention plan taking into account the following objectives.

The company would then have to prepare a plan, provide a summary of the plan, and then report annually on progress toward the plan.

Mr. Nathan Cullen: With a target? Can they say to company X, you go out and reduce this many megatonnes?

Mr. John Moffet: Not using that authority; using the regulatory authorities, the government could issue a regulation and say, you must reduce by x%.

Mr. Nathan Cullen: How long has the ability for the government to do that existed within the legislation?

Mr. John Moffet: The six greenhouse gases were added to the list of toxic substances in November or December of 2005.

Mr. Nathan Cullen: Have you been asked to prepare any type of contingency plan for the targets that are required to meet the Kyoto Protocol, under Canada's commitments? Has the government come to you and said, please prepare the numbers for transportation, for industry?

Mr. John Moffet: I can't comment on the government's current plans for regulation.

Mr. Nathan Cullen: Have they asked you to prepare a number? A total emissions cut? A sectoral cut in emissions?

I'm asking you if anyone from government has come to you and said, for the large final emitters, the big polluters in this country, we want a prepared plan.

Mr. John Moffet: A plan for—

Mr. Nathan Cullen: For the number of tonnes per sector that we want reduced.

Mr. John Moffet: Yes, the government has announced, in its notice of intent that it issued last fall, that it would be commencing immediately to develop regulations that would impose emission targets for the large final emitters. That work is actively under way. It's my understanding that the minister hopes to be able to speak to that issue and intends to appear before the committee.

I can't provide the details of that work—I'm actually not involved directly in it—but I can tell you that the work has been under way since the government issued the notice of intent last fall.

The Chair: Thank you, Mr. Moffet.

Mr. Warawa.

Mr. Mark Warawa: Thank you, Chair.

I thank each of you for being here this evening and staying until what is projected to be 9 p.m.

There was a question by one of the members regarding the short-, medium-, and long-term targets, starting with the premise that they weren't in Bill C-30. When the Clean Air Act was announced, along with that was an announcement of the notice of intent.

I'd like to ask somebody a question regarding the short-, medium- and long-term targets, but particularly the short-term ones right now. In the time that we have, I'd like to focus on the short-term targets. I'm also going to be asking about comments that have been made regarding “intensity-based” as opposed to “hard cap”. I'm not sure who can answer that.

Starting off with the short-term targets that are being negotiated now and will be announced shortly, how are those being set? Are they arbitrarily set?

Who can answer that?

●(1955)

Mr. John Moffet: Mr. Warawa, I can reiterate what the notice of intent said, and I can assure you that the actions that the government is undertaking are following the direction set by the notice of intent. The notice of intent indicated that, “The intent is to reach a decision, by spring 2007, on the overall regulatory approach, including proposed short-term targets”.

The notice of intent further indicated:

For GHGs: the Government intends to adopt a target-setting approach based on emissions intensity, one that will yield a better outcome for the Canadian environment than under the plan previously proposed on July 16, 2005....

The work that is under way is involving technical and economic analysis to provide various options for identifying targets for the major industrial sectors. That work is currently being discussed with the minister and with his cabinet colleagues.

Mr. Mark Warawa: I just want to clarify what you said. You said the targets will be more stringent than those set in July 2005. Did I hear you right?

Mr. John Moffet: I'm simply quoting from the notice of intent. I'm really not at liberty to provide any details about the regulatory

plan beyond what's in the notice of intent. I would respectfully request that any questions on the regulatory plan be directed to the minister.

Mr. Mark Warawa: So there are targets that are set, short, medium, and long, and those are set through the notice of intent.

Mr. John Moffet: The broad framework for the targets is explained in the notice of intent. The specific targets will be announced by the minister and would actually be contained in the regulations themselves.

Mr. Mark Warawa: And these will be done through a regulatory framework as opposed to the voluntary framework that we previously had and presently have in Canada. It will be regulatory.

Mr. John Moffet: It will be by regulation. That's my understanding.

Mr. Mark Warawa: Who can answer the question on “intensity-based” as opposed to “hard cap”? Which would be more stringent? I've been briefed—I'm not sure how long ago—and I heard the difference with intensity-based. I was quite impressed. I'm looking forward to a response here now, for enlightenment for those who are at this meeting and also because it's being televised.

Who would be able to explain the difference between intensity-based and hard cap? There's a lot of misleading information out there, so who would care to enlighten us?

Mr. John Moffet: I'm sure my colleagues are getting bored of hearing my voice. On the other hand, maybe they're happy to have me continue.

Voices: Oh, oh!

Mr. John Moffet: The straight answer is that it depends. Your question was which would be more stringent. One could set an emissions intensity target that is more stringent than a hard cap, or less stringent. It depends on what the target is. An emissions intensity target is set on the basis of emissions intensity. One could ratchet emissions intensity way down really quickly and achieve a more dramatic reduction than a very soft cap. On the other hand, a very strict, hard cap could produce significantly greater reductions than emissions intensity. It depends on the numbers.

●(2000)

Mr. Mark Warawa: Thank you.

Finally, which industrial sector are these targets going to be applicable to?

Mr. John Moffet: The plan, as outlined in the notice of intent, is to develop regulations addressing emissions of greenhouse gasses and air pollutants from all of the major industrial sector sectors in Canada.

Mr. Mark Warawa: Thank you, Chair.

The Chair: You still have fifty seconds if you want them.

Mr. Mark Warawa: No, I think that actually answers my questions. Thank you very much.

The Chair: Mr. Godfrey.

Hon. John Godfrey: Thank you very much.

I'm glad you've talked about the notice of intent, Mr. Moffet, because my questions go like this: first, if there were no Bill C-30, is there anything, in the notice of intent to regulate, that could not be regulated using CEPA authority now?

Mr. John Moffet: There are a few things in the notice of intent that we could not do using CEPA.

Hon. John Godfrey: But could most of what's in the notice of intent be achieved by using CEPA?

Mr. John Moffet: Yes.

Hon. John Godfrey: Right.

Could we deal with indoor air quality using CEPA if there were no Bill C-30? Do we have the authority to regulate indoor air quality now?

Mr. John Moffet: Yes.

Hon. John Godfrey: If there were no Bill C-30, could we regulate motor vehicle and engine emissions?

Mr. John Moffet: Emissions, but not fuel efficiency.

Hon. John Godfrey: I didn't ask about fuel efficiency, I asked about emissions.

If there were no Bill C-30, could we regulate large final emitters?

Mr. John Moffet: Do you mean, could we regulate GHG emissions from large final emitters?

Hon. John Godfrey: Yes.

Mr. John Moffet: Then yes.

Hon. John Godfrey: Didn't we in fact plan to have regulations under CEPA under way that would have put such regulations in by 2008?

Mr. John Moffet: Can I assume that's a rhetorical question?

Hon. John Godfrey: I just would like to have it on the record.

Are there any emission targets or timelines that CEPA wouldn't have the authority to help regulate?

Mr. John Moffet: No, I don't think there's any impediment that CEPA imposes to establishing a regulatory timeline.

Hon. John Godfrey: If there were no Bill C-30, and we only had CEPA, could we establish an emissions trading market?

Mr. John Moffet: Yes. Again, I'd like to come back to the qualification that I provided to the question from Monsieur Bigras, I think, that the current provisions aren't broad enough to enable us to establish an efficient emissions trading market when we look at the kinds of regimes that have been established effectively in other countries.

But the short answer is, yes, we could establish emissions trading under CEPA.

Hon. John Godfrey: Could there be penalties under CEPA for those who violated the provisions of an emissions trading market? Does it have the penalty powers?

Mr. John Moffet: The current penalty powers would be applicable.

Hon. John Godfrey: Well, one of the things that really comes through the deck is how great an act CEPA is, and what power it has,

and, if Bill C-30 fails, how much we could do to achieve all of the ends that are being touted as the advantages of this new bill. Most of the language, I notice, deals with "improve", "expand", but it doesn't deal with the actual authority that exists, the broad authority to do most of what we talked about.

Is that a fair comment, that CEPA currently has the broad authority to do much of what would be part of any action plan on climate change?

Mr. John Moffet: Yes, and that's precisely why the bill modifies CEPA instead of creating another piece of legislation. It builds on the sound foundation that CEPA provides.

Hon. John Godfrey: If all else fails, there will always be CEPA.

Thank you, Mr. Chair.

The Chair: You're giving up the rest of your time?

Hon. John Godfrey: Yes.

The Chair: Okay. Mr. Jean.

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

I'm actually curious about a few other realms, just to understand the rationale behind the department. I'm interested in indoor and outdoor air qualities.

I understand, Mr. Blagden, that you are the expert on air quality indexes. Can you tell me what the NARSTO group is?

•(2005)

Mr. Phil Blagden: It's interesting, because the acronym doesn't actually work any more. Rather than explaining what the acronym is, it's a consortium of groups, government and non-government organizations in Canada and the United States that have worked on providing policy advice on air quality issues.

NARSTO is the North American Research Strategy for Tropospheric Ozone, but they've expanded, and the "S" is in there for something else. They've expanded beyond ozone now.

Mr. Brian Jean: It's all right; I only have five minutes.

You were on the executive assembly of that group, though, and now you're working for Environment Canada, correct?

Mr. Phil Blagden: No, I was never associated with that group. I simply made a presentation to them last year. I'm with Health Canada at the moment, but I have a substantive position at Environment.

Mr. Brian Jean: Great.

My question is, what's the plan in relation to monitoring indoor air? I understand that one of the major issues we have in Canada today is the quality of air indoors.

If you can, keep the answers brief, please.

Mr. Phil Blagden: Obviously it's impossible to go into every home in the country to monitor indoor air. What we are engaged in doing and what we intend to do more of is to do studies focused on the exposure of individuals in indoor environments and selected studies that will be designed to produce representative data about the human health impact.

Mr. Brian Jean: My understanding is actually that the issue with indoor air is a prevalent issue that hasn't been addressed with any legislation before of any substance, and certainly not by Kyoto or any other GHG emission piece of legislation. Is that fair to say?

Mr. Phil Blagden: Yes, it would be. Generally, most of the indoor air legislation refers to workplace exposures as opposed to residential or schools.

Mr. Brian Jean: All right. Hopefully sometime there's going to be technology so that every home can have a filter, some sort of monitoring system or better filters. Is that the long-term goal?

Mr. Phil Blagden: Well, there are lots of pollutants in indoor air. Obviously it's possible to buy a carbon monoxide monitor for every home right now to provide warnings in case of danger. That's one example of a successful area.

I don't think you'd ever get to the point where you could monitor every home continuously. The radon issue is one that needs to be addressed and radon can be tested in homes. You don't need it done on an ongoing basis, but you just need to know how high the levels are and then act appropriately.

Mr. Brian Jean: I have studied law in Australia and the U.S., and I have never seen environmental legislation like this before, so wide in breadth and scope. Did this group or the government look at other jurisdictions for legislation like this, or are we at the leading edge on the international stage with this piece of legislation in Canada as far as air quality and health issues are concerned?

Mr. Phil Blagden: We certainly did look at other jurisdictions, but I think bringing indoor air into the overall definition of air under CEPA is probably a new step.

Mr. Brian Jean: Would you suggest that's a good step?

Mr. Phil Blagden: Yes, I think it's really important to realize that we have to deal with all of our environments, not just the outdoor one.

Mr. Brian Jean: Speaking of which, my last question deals with the recycling environment. I was pleased to see that the legislation deals with some of that. Were other jurisdictions looked at, for instance Brazil, which seems to be on the cutting edge of recycling? And if so, how are we going to deal with the issue of provincial jurisdiction?

Mr. Phil Blagden: I honestly don't know anything about recycling, sorry.

The Chair: Mr. Moffet.

Mr. John Moffet: I'm afraid I didn't follow the question.

Mr. Brian Jean: That's all right, it's probably a question that is going to be difficult to follow.

I noticed some reference to recycling in the legislation, is that correct?

Mr. John Moffet: I don't think so, sorry. I'd be happy to clarify, but I'm—

Mr. Brian Jean: I'll talk to you afterwards then.

• (2010)

Mr. John Moffet: Sure.

Mr. Brian Jean: Do I have any more time?

The Chair: I'm sorry, Mr. Jean, your time is up.

Monsieur Lussier.

[*Translation*]

Mr. Marcel Lussier (Brossard—La Prairie, BQ): Thank you, Mr. Chairman.

Mr. Moffet, I was very surprised to learn that you weren't aware of Canada's percentage volume production of greenhouse gases. Are there any agreements with the provinces under which they prepare an annual report quantifying greenhouse gas volumes within their respective borders? Is it your department that manages those figures?

Mr. John Moffet: Yes, Mr. Lussier.

[*English*]

The Department of Environment has a GHG-reporting organization and capacity that generates various data, on a sector-by-sector, region-by-region...and national level of emissions of GHGs, in accordance with various international protocols so that our reported data is consistent with what is reported by other countries and can be compared.

[*Translation*]

Mr. Marcel Lussier: Have there been any consultations with the provincial environment ministers concerning the measurement of air pollution rates? You mentioned that the government will be evaluating the effectiveness of measures taken by each of the provincial governments. Have there been any negotiations with the provinces, consultations with the environment ministers of each province, to inform them that, in future, they'll have to provide air pollution reports?

[*English*]

Mr. John Moffet: Within the Canadian Council of Ministers of the Environment, there are active working groups dealing with air pollution, looking at the various types of air pollution that each province monitors. There have been efforts under way for at least a decade to try to harmonize the way in which information is collected and reported.

With respect to the current regulatory initiative that was outlined in the notice of intent, there have been ongoing consultations since last summer between the federal and provincial governments on various details of the notice of intent.

[*Translation*]

Mr. Marcel Lussier: Is Statistics Canada engaged in collecting air quality data?

[English]

Mr. John Moffet: Statistics Canada plays a very important role in the development and maintenance of the database on greenhouse gas emissions. Statistics Canada plays a less central role in the collection of information about air pollutants. I think that's primarily because the provincial governments and the federal government have been collecting that information for quite a long time, and therefore were working with some relatively old systems. The national system for greenhouse gas inventory was developed in close collaboration with Statistics Canada.

[Translation]

Mr. Marcel Lussier: Would you be surprised to learn that some studies conducted by the Fraser Institute show that air quality in the major cities is improving?

[English]

Mr. Phil Blagden: Maybe I can address that—

[Translation]

Mr. Marcel Lussier: Perhaps Ms. Roy could respond as well?

[English]

The Chair: You have 40 seconds.

[Translation]

Mr. Marcel Lussier: I have information to the effect that the air quality of a number of major cities has improved over the past 10 years. Do you have any similar information?

Mrs. Guylaine Roy: I believe the Health Canada official is in a better position to answer that question than I am.

[English]

Mr. Phil Blagden: You can look at air quality in different ways. A number of pollutants have seen dramatic decreases since the 1970s. With sulphur dioxide, we've been extremely successful in reducing that pollutant. Ozone is a problem. It has stayed more or less the same, or in some cases has been increasing as an issue.

The key thing about air pollution is that we know a lot more than we did before; we know a lot more about its health effects. So there's the issue of how bad it is and the issue of how bad we know it is.

But for a number of pollutants, yes, if you look at the measurements, several pollutants have decreased since the 1970s. The pollutants of greatest focus in terms of smog are PM and ozone. PM has been more or less flat, though it depends on what part of the country you're in. So all of these things vary.

● (2015)

The Chair: Monsieur Paradis.

[Translation]

Hon. Christian Paradis (Mégantic—L'Érable, CPC): I'll continue.

A little earlier a question was put to Mr. Jean concerning additional recovery powers in the context of deposit-refund systems.

What does that mean in concrete terms? Do you have any examples of what that might mean?

It's on page 6, if you want to refer to it.

[English]

Mr. John Moffet: I apologize if I've misled the committee. Slide 6 summarizes the authorities that are currently in CEPA. So CEPA currently provides the government with the authority to establish a deposit refund scheme. The simplest example that we all know of is the deposit refund scheme existing in most provinces for cans, beer bottles, etc. CEPA provides the authority to establish that sort of a scheme as a means of addressing toxic substances.

Bill C-30 does not change that authority at all. What it does is amend the authorities respecting tradeable emissions units, which are different. Under a tradeable emissions scheme, a source would be given a certain number of units of emissions that it would be entitled to emit. If it emitted more than those, it would have to—If I emitted more than Ms. Roy, and she emitted less than her allotted level, then she could sell her units to me. That way, in total, we would come out at the right level. And she has an economic incentive to continue to lower her emissions. If I'm simply stuck because I have old technology and can't afford to upgrade, then I'll buy the emissions units that I need from her.

So what we've done is we've made a few modest amendments to those authorities to make that system work more efficiently, if we were to set it up.

[Translation]

Hon. Christian Paradis: That's fine. Thank you.

I understand from your answer that the industry would be regulated. We were talking about large industries here in Canada. So I was referring to the declaration of intent. You said that we were currently working to set targets, work that you can't necessarily outline. However, I'd like you to explain more what that would mean in concrete terms so that we can have a clear understanding. What does that mean for the industry? What would happen in concrete terms?

[English]

Mr. John Moffet: Again, I can't go much beyond the notice of intent. But the government's objective, as outlined in the notice of intent and as reiterated in the minister's speeches since then, is to establish a suite of regulations that would address all of the major industrial sectors in Canada. Those regulations would identify both an emissions reduction target or a maximum amount allowed on a sector-by-sector basis, together with a timeframe—i.e., sector B must achieve this target by that date, etc.

It will be more than a couple of lines long, but that will be the heart of the regulations, and they'll be developed on a sector-by-sector basis.

● (2020)

[Translation]

Hon. Christian Paradis: Do I have a little time for one final question?

The Chair: Yes, you have 40 seconds.

Hon. Christian Paradis: The question is for Ms. Buckley.

I found what you said earlier about the amendments that should be made to the Energy Efficiency Act were very interesting. I understand that you will also be able to regulate energy consumption. That's often a form of consumption that's neglected, one might say.

Do you have any examples of the kinds of appliances that would be subject to regulation and how they operate?

[English]

Ms. Carol Buckley: Sure, I have lots of examples. They include lighting products, in all sectors; commercial clothes washers; commercial dishwashing machines; all of the electronic equipment that we use in our home, and the standby associated with it that we hope to be able to regulate; mercury vapour ballast lighting, which is not currently regulated at all; HID ballast, which is not currently regulated at all. So those are lighting technologies. Commercial boilers are not regulated at all at the current moment. Traffic and pedestrian signals—if you think of their usage across Canada—are not currently regulated at all. Then there are torchiere lamps using CFL lighting; external power supplies; low-voltage, dry-type transformers. So there's a long list of 20 to 30.

I can make the list available if it would interest you around the committee to have more details on this type of thing.

The Chair: Thank you.

Mr. Holland.

Mr. Mark Holland (Ajax—Pickering, Lib.): Thank you, Mr. Chair.

First, if I could, just with what's in front of us, and to understand what you would understand to be in front of us, would you characterize what we have in front of us as a plan for climate change or a series of regulatory augmentations?

Mr. John Moffet: What we're talking about today is a bill that contains a number of amendments to three statutes. I understand that in the media and in some of the rhetoric, the Clean Air Act has been conflated with the government's plan. I'll let the members from the government party expand on what the government's plan is or may be. But at a minimum, I think it's fair to say that the government's plan includes all of the actions articulated in the notice of intent, which explains how regulations will be developed, what regulations will be developed, and what other actions the government will take.

Mr. Mark Holland: But you would agree with me that characterizing Bill C-30 or what's in front of us now as an action plan for climate change would be a misstatement, that what it is, in fact, is a series of amendments and changes to augment CEPA or to improve existing legislation.

It may be a rhetorical question.

Mr. John Moffet: I don't want to get involved in a discussion about what it is and what it's not.

Mr. Mark Holland: Just to be clear, because I'm not sure it was entirely clear through the discussions, right now, at this point, there are not ascribed to that notice of intent any actual targets. The minister has yet to articulate those, correct? I mean in terms of long-, medium-, short-term targets for any industry. At this point, those are yet to be ascribed.

Mr. John Moffet: The notice of intent outlines a long-term national target of between 45% and 65% national reductions by the year 2050.

Mr. Mark Holland: But in terms of near-term targets, say within the Kyoto period or the medium-term period, those are yet to be articulated, correct?

Mr. John Moffet: Correct.

Mr. Mark Holland: Okay.

I would just like to re-establish that on January 1, 2008, for large final emitters there were in fact regulations to come in place, and that now we do not have any reduction targets for that date. In other words, we did, and now we don't.

Mr. John Moffet: The previous government was in the process of developing regulations: is that the question?

Mr. Mark Holland: Well, that they were to come into force on January 1, 2008.

Mr. John Moffet: They weren't yet law—

• (2025)

Mr. Mark Holland: I appreciate that, because we're no longer in government.

Mr. John Moffet: —so they weren't coming into force. But that was the projection.

Mr. Mark Holland: Right.

I also wanted to establish that Kyoto came into effect in 2004. Is that correct?

Mr. John Moffet: Internationally, yes.

Mr. Mark Holland: The international agreement came into force in 2004.

Mr. John Moffet: Yes.

Mr. Mark Holland: So certainly it would be unfair to characterize that there were 10 years of not acting on Kyoto, if it came into force in 2004. Again, that's a rhetorical question, I know.

Mr. John Moffet: I'll leave it to the members of the committee to make that characterization.

Mr. Mark Holland: The other point I would make is about indoor air quality. I come back to this, because I think this is an incredibly important point for the purposes of our process. Indoor air quality can already be regulated, and I don't disagree that it may be a nice augmentation. We talk about definitions and maybe increasing them. Greenhouse gases, by definition, are already listed as toxic substances. It would be fair to say that these augmentations will maybe slightly enhance our ability to meet targets should we choose to go after them, but really, in large part, those are already there.

You agree with that statement, I presume.

Mr. John Moffet: I'm not sure what the statement was; I'm sorry.

Mr. Mark Holland: It's that what is in front of us may slightly improve our ability to get whatever targets we were going to be able to achieve, but in actual fact, the vast majority of the tools we need to meet our targets are already in place in CEPA, in existing legislation.

Mr. John Moffet: I'd like to be very clear here. I appreciate that members are trying to characterize what the bill is. My colleagues and I are here to tell you what the bill does. I think it's up to you to characterize it.

Is it a slight improvement? Is it a worthwhile improvement? Is it a waste of time? Those are conclusions for you to draw. We can tell you what the bill does and what it doesn't do, and that's all we can tell you.

Mr. Mark Holland: Yes.

The Chair: Thank you very much.

Mr. Manning.

Mr. Fabian Manning (Avalon, CPC): Thank you, Mr. Chair.

Just as a follow-up, we signed on to Kyoto in 1997. Is that correct?

Mr. John Moffet: I think that's right.

Mr. Fabian Manning: So from 1997 until 2004, even though it didn't come into effect until 2004, we had seven years, pretty well, to start acting, as a government and a people, on the Kyoto Protocol.

Wouldn't it be a fair statement to say that somebody didn't grab the ball and run with it for seven years, so trying to straighten it all out in two years kind of makes this a bit more strange? We're throwing out a lot of "fair statements" here, so I'm just wondering if that would be one.

Mr. John Moffet: Again, I don't want to...because it's not in our role as officials. If you met me on the street, we could have a conversation as private citizens. As an official representing a department, I'm not going to comment on the fairness of one statement or another that characterizes one government's actions versus another government's actions.

I hope you can all appreciate the situation we're in and the role in which we're appearing before the committee today.

Mr. Fabian Manning: I understand that. The fact is that it came into force in 2004 but we've had it since 1997, and the emissions have skyrocketed instead of going where the proposal was supposed to go. I just wanted to make sure the question was on the table.

In regard to air pollution, could somebody please explain what is meant by "fixed caps"? And will the fixed caps as proposed under this new act be as stringent as in other countries that have fixed caps?

Mr. John Moffet: There were two questions there: what's a fixed cap, and how would the fixed caps, as set under this act, compare with those in other countries? The answer to the second question is that it's too early to answer that question. The answer to that question depends on what number this government comes forward with. What will the targets be? That's an issue for you to discuss with the minister and his cabinet colleagues.

A cap is a numerical limit on emissions. It could be set on a facility basis, on a sector basis, or on a multiple sector basis, but a cap is just what it sounds like: you can't go above this limit. That's what it means.

In terms of how it compares to other countries, as I answered earlier, it depends on what the number is.

Mr. Fabian Manning: On page 29, in regard to the amendment to the Motor Vehicle Fuel Consumption Standards Act, the current regulatory authority has not clearly addressed the use of such measures as formulas to establish fuel consumption standards. Does Bill C-30 go further than what we have now? Could you explain to us what exactly you're bringing forward now that is an improvement on what we already have?

• (2030)

Mrs. Guylaine Roy: Thank you for the question.

The current act provides for the capacity to make regulations, but it's not clear that you can have a regulation that is built on a formula. I'll give a brief explanation of that.

In the United States, they have regulated standards for cars and light-duty trucks. The U.S. administration has just amended their regulations vis-à-vis light-duty trucks. In the past, there was one number—let's say, some litres per 100 km for light-duty trucks—that the industry had to meet to be below that standard for the production and sale of their light-duty trucks. The U.S. administration has looked at how to reform that standard. They came up with a formula to reform that standard.

What we're doing here in the amendment to the MVFCSA is covering the possibility that by regulation there would be a formula to set the standard for light-duty trucks or cars. It's to give the authority, to give precision to that authority.

The authority is there right now. We just wanted some clarification on the authority and what could be done through regulations. That's the reason the government has proposed that amendment.

Mr. Fabian Manning: Through Bill C-30 that will be strengthened.

Mrs. Guylaine Roy: That's right, through Bill C-30.

The Chair: I'm sorry, your time is up. Time flies when you're having fun.

We'll go to Mr. Scarpaleggia.

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Thank you very much.

One gets the impression from the announcements the government has made over the last few weeks and months that Canada's Clean Air Act was something revolutionary and earth-shattering. Just to echo what my colleagues were saying earlier, we get the impression that what we're seeing are minor amendments or minor improvements to existing legislation.

I'd like to zero in on a couple of issues. In one case you were discussing how we have to look at outcomes and how that should be the focus, and then, almost in the same breath, you were saying that it's important to focus on regulating the design of products.

For example, you were talking about blended gasoline. It seems to me that we have the power to create ethanol mandates for gasoline. So why should we be concerned about blending procedures at an intermediary phase between the production and sale of ethanol?

Mr. John Moffet: Under CEPA, we could regulate blended fuels. However, we could only impose that obligation either on producers of fuel—i.e. the folks who take the crude out of the ground and refine it and turn it into gasoline and then stick it in a pipeline—or on the people who sell it at the gas stations. Neither of those people is responsible for the blending of fuel. The producers don't actually blend fuel because they put it in a pipeline that in some cases travels thousands of kilometres, and the blended fuel could be contaminated. If it's 5% when it goes in the pipeline, it could be 4% when it comes out, so that's not where it's done, and regulating them would be useless.

The alternative currently would be to regulate every gas station. We could do that, but you'd have to give us a whole lot of money to go and inspect a whole lot of gas stations. What we really want to do is regulate the point at which the fuel is blended.

All I'm saying here is that we don't have that authority under CEPA; Bill C-30 would give us that authority, the authority to target the regulation where it would be most effective.

• (2035)

Mr. Francis Scarpaleggia: Again, it seems like a very small incremental measure that is being sold as a revolutionary change of regulation.

I'd like some discussion on wood-burning stoves, because I have constituents who are interested in this issue. At the moment there is no regulation on wood-burning stoves, as I understand it.

Mr. John Moffet: There is no regulation at the federal level.

Mr. Francis Scarpaleggia: Under CEPA, would it be possible to tackle the issue of wood-burning stoves through regulation of ambient air or indoor air quality? Would it be possible to do that, rather than get involved again in the design of wood-burning stoves?

Mr. John Moffet: No. We can't regulate ambient air. Let's be clear

Mr. Francis Scarpaleggia: No, I mean regulate the emissions.

Mr. John Moffet: No. The only way we could do it under CEPA would be to regulate the use of each stove. If I own one, the regulation would apply to me; our enforcement officials would have to come and inspect my house and determine that I was using the stove in a way that complied with the law.

When I say Bill C-30 would give us the authority to regulate the product, we're not talking about instructing Vermont Castings to design a stove that looks like this and is made with these materials. What we're talking about is giving the government the ability to say, in the case of wood stoves, that you can't construct, import, or sell a stove that operates at less than x% efficiency. You can do it any way you want—

Mr. Francis Scarpaleggia: But most of the stoves are imported from the United States, and they're subject to EPA approval, are they not?

Mr. John Moffet: Actually, a considerable number of stove manufacturers operate in Canada, many of whom build very fine high-efficiency stoves. Quite a few don't, and we continue to import stoves that are built elsewhere and that may not comply with American standards, but there are no Canadian standards, so they can import them and sell them here all they want.

The Chair: Thank you.

Go ahead, Mr. Watson.

Mr. Jeff Watson: Thank you, Mr. Chair.

Madame Roy, I was interested to hear you bring up the U.S.A.'s reformed CAFE, applying a formula for fuel consumption by vehicle class. For the benefit of those listening, how is that different, if it all, from the California standard? Please talk about the different approaches.

Mrs. Guylaine Roy: I'm not an expert in California standards, but generally I can say that the California standards regulate GHG emissions, while the U.S. standards relating to the fuel efficiency of cars or light-duty trucks are based on fuel consumption, so there are two different ways.

If you deal with fuel consumption, you deal mainly with carbon dioxide, the greenhouse gas emissions that are carbon dioxide. That gas forms 95% of the gas emitted with fuel consumption, so it's almost a 1:1 relationship.

The California standards regulate all the GHG gases—carbon dioxide, plus two or three other gases—so that's the distinction between the two. The U.S. national administration regulates what they call “fuel efficiency”—it's miles per gallon—while in Canada the national legislation we have that hasn't been proclaimed yet would also regulate fuel consumption.

I hope that clarifies things a bit.

Mr. Jeff Watson: Yes, it does. CEPA doesn't address fuel consumption; that's what you're telling the committee today.

Mrs. Guylaine Roy: That's right. The way to regulate fuel consumption is through the Motor Vehicle Fuel Consumption Standards Act.

Mr. Jeff Watson: The proposed legislation addresses flexibility in applying the regulation. If I'm correct, that's by vehicle class or even by company. Is that a correct understanding?

• (2040)

Mrs. Guylaine Roy: It's a complex formula. It's not by company. If we go with the formula, it's by the size of the vehicle. It's the wheelbased size of the vehicle, it's not by company.

Mr. Jeff Watson: It's by wheelbase.

Mrs. Guylaine Roy: For light-duty trucks.

Mr. Jeff Watson: That formula or that standard being applied, that would be by vehicle class, as opposed to, say, an average across a fleet for fuel improvement. Is that fair to say?

Mrs. Guylaine Roy: I'll let Catherine answer that question. She's the expert on that.

Mrs. Catherine Higgins (Director, Environmental Initiatives Division, Department of Transport): You're referring to the reformed formula approach, I think. In that system, a fuel consumption standard or target is established for each vehicle in the market, ranked by size. The standard becomes, in effect, a formula that is composed of all the possible vehicles in the market, and a company's obligation under that standard is determined by the average of the number of vehicles they sell at each size.

So if they sell 10 large vehicles and 10 small vehicles, it's the average of those fuel consumption levels per vehicle. It's the average across the total number of vehicles they sell in the market, as opposed to one single number at the moment.

Mr. Jeff Watson: Can you explain to the committee the concept of a dominant North American standard for fuel efficiency?

Mrs. Guylaine Roy: This is more a policy question, really, than a question for officials.

Mr. Jeff Watson: Fair enough.

Mrs. Guylaine Roy: As we mentioned, the U.S. administration has moved forward in reforming the standard for light-duty trucks, so they're taking steps. California has taken another approach. But we cannot really comment on that.

The Chair: Okay, thank you very much.

Monsieur Paradis.

[*Translation*]

Hon. Christian Paradis: Earlier, Ms. Buckley, from the Department of Natural Resources, referred to a list that she could forward to us. I would officially like to request that that list of appliances be forwarded to the clerk, for study purposes. Thank you.

[*English*]

The Chair: Okay.

Mr. Dewar.

Mr. Paul Dewar (Ottawa Centre, NDP): I'm wondering if you would permit me time for questions. I've been waiting patiently here.

The Chair: No, sir, there have been 12 rounds of questions—

Mr. Paul Dewar: But I believe the rules are that each member gets a turn. I subbed in for Mr. Cullen, and I haven't had an intervention at this point.

The Chair: I understand the meaning of the word “member”. I also understand that there are 12 positions on this committee, and 12 positions have had rounds of questions.

Mr. Paul Dewar: I think if you read the rules verbatim as to what the requirement is, it says each member. I'm on the committee, and I haven't had an intervention yet.

The Chair: The rules also state that it's at the discretion of the chair, and the chair is using that discretion.

I understand the meaning of the word “member” and I understand that there are 12 positions on the committee. If we did that, then we could eventually have 308 people speaking at every—

Mr. Paul Dewar: Well, I want to be clear here, Chair. What you're saying, then, is that you're going against—

I sat through Bill C-2 all spring, and what you're saying is that this particular member isn't allowed the past practice of what was allowed through Bill C-2, where we sat for—how long? It was a legislative committee, same thing.

So what you're saying is that there will be less participation, at least from this end, and I guess everyone else agrees with this.

I'd like to challenge your decision, because what you're saying is that, as a member, I'm not allowed to participate, when it was certainly the case in past practice on Bill C-2, a legislative committee, that we were allowed that.

The Chair: I'll accept that challenge.

Mr. Paul Dewar: I'm just wondering what the logic is and if there's any other support around the table.

The Chair: Okay. It will be a very simple question, and you're free to challenge it.

My ruling is that there are 12 positions on the committee, and 12 members have had an opportunity to question. My ruling, which is at my discretion, is no.

Now, you are free to challenge the chair, and I won't take it personally.

Mr. Paul Dewar: You should never take it personally, Mr. Chair.

What we're saying is that the definition—

I am challenging the chair, and I just want to clarify with the clerk that I've subbed in as a member.

●(2045)

The Chair: We understand that. There's no debate. The question is simply, shall the chair be sustained? It's a recorded vote, yes or no.

(Motion agreed to: yeas 10; nays 1)

The Chair: I believe the matter is closed.

Thank you very much.

Thank you, witnesses, for your patience, and I hope you enjoyed dinner.

This meeting is adjourned.

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