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# **Standing Committee on Environment and Sustainable Development**

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**EVIDENCE**

**Wednesday, March 12, 2008**

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**Chair**

**Mr. Bob Mills**

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## Standing Committee on Environment and Sustainable Development

Wednesday, March 12, 2008

• (1530)

[English]

**The Chair (Mr. Bob Mills (Red Deer, CPC)):** I'd like to call our meeting to order and again welcome the environment commissioner. We have him as a regular guest, it appears, and that's good for all of us.

Some of our members were not at the briefing we had when you released your report. You have 14 chapters—obviously a fairly major report.

I know you and I have talked. If you can summarize that and give some suggestions to the committee, in the second hour we're going to go through future business, and that would help us a lot in terms of how we deal with your report.

So I'll turn it over to you. Tell us about your report, please.

[Translation]

**Mr. Ron Thompson (Interim Commissioner of the Environment and Sustainable Development, Office of the Auditor General of Canada):** Thank you, Mr. Chair.

Joining me are my colleagues Richard Arseneault, Andrew Ferguson and Mary Anne Strong.

As you know, we tabled our Status Report last week. It included 14 chapters, five of which showed satisfactory progress and nine of which showed unsatisfactory progress.

We have provided to the committee, in both official languages, the summary of last week's Status Report, which I presented during the in-camera briefing on March 6. I understand that this document will be appended to the minutes of this meeting. I would normally repeat this presentation this afternoon, but time does not permit.

I am here to offer suggestions, at the chair's invitation, for topics from our Status Report that the committee might consider appropriate for future hearings.

[English]

As you know, our audits have revealed that two of Canada's fundamental tools for good environmental management are broken, and that both, in our view, need to be fixed. I am referring to the sustainable development strategies, which we reported on last October, and to the strategic environmental assessments, which we reported on last week. Both of these tools would benefit greatly from the introduction of an overarching government plan or strategy for dealing with environment and sustainable development issues, along the lines suggested by Bill C-474 that we discussed on Monday.

Under the circumstances, the committee might consider holding a hearing to flush out what's being done to review and hopefully to strengthen both the sustainable development strategy and the strategic environmental assessment processes. Environment Canada and the other departments and agencies with which they are working could discuss the review of the sustainable development strategy process that is now under way. The Canadian Environmental Assessment Agency and related entities could speak to the review of the strategic environmental assessment process. The purpose of such a hearing would be to monitor and encourage government as these reviews are carried out and to help ensure that they consider the need for an overarching government-wide plan or strategy.

• (1535)

[Translation]

A second hearing could focus on contaminated sites where satisfactory progress is being made and on contrasting this with areas of concern in the Great Lakes where progress is unsatisfactory.

The purpose would be to explore, with Environment Canada, the Treasury Board of Canada Secretariat, and possibly Infrastructure Canada, the possibility of applying lessons learned in dealing with contaminated sites to areas of concern.

[English]

A third hearing might look at the greening of government operations. Public Works and Government Services Canada, together with Environment Canada, could be invited to explain what they intend to do in future years to strengthen this area.

Finally, a fourth hearing might focus on invasive aquatic species. Witnesses could be the Department of Fisheries and Oceans and also Transport Canada.

[Translation]

Mr. Chair, these are four suggestions that the committee may wish to consider as it develops topics for future hearings. Obviously, we would be delighted to discuss any other topics from our Status Report that the committee considers appropriate for a hearing.

[English]

Mr. Chairman, that concludes my brief opening statement. We would be very pleased to answer any questions the committee may have.

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

I think, again, as we discussed, putting forward some concepts on how we might deal with this report and how we might bring in government officials to explain and be accountable for some of that legislation—I hope the members agree with me—is most helpful in guiding us in our second hour when we're actually looking at how we're going to proceed with some of these topics. Thank you very much. That's a really good start.

If we could, let's start with Mr. Scarpaleggia, please.

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

Thank you, Mr. Thompson.

I've been reading chapter 7, which is on areas of concern in the Great Lakes Basin. I'm quite intrigued by that.

I'm wondering why the performance of these agreements appears to have been so dismal. I'm really pondering the issue. Is there something in these kinds of federal-provincial agreements—I think there were other partners, but actually, it was mainly federal-provincial—that makes it very hard to be specific and to inject accountability? It seems to be almost endemic to those kinds of agreements, especially in our federal system. The minute the federal government wants to impose conditions, the provinces say we shouldn't do that; it's not right. As a matter of fact, when the environment minister came, he said—just as an aside, and I'm not being partisan here—that when it came to the environmental trust, there's one taxpayer, and it's not for the federal government to tell the provinces what to do. So I'm wondering if there is something endemic in those agreements that makes it very hard to achieve goals.

Second, are there too many extraneous factors when you're talking about the Great Lakes? Perhaps, despite best efforts, we don't get the results because of pollution coming from the United States. Maybe this would be the case with contaminated sediments, for example.

Would a third explanation, perhaps, have something to do with the scientific capacity of the government to analyze these agreements? In other words, if you take economic analysts and have them create these agreements, you're not going to have the scientific input that might tighten the agreements a bit. I don't know.

Fourth, is one of the reasons we don't reach our goals that there isn't enough funding? For example, you say that municipal waste water infrastructure is inadequate. That's sort of outside the scope of the agreement. It depends on how much money the federal government, the provincial governments, and the municipal governments are injecting into plant requirements.

Those are my questions.

• (1540)

**Mr. Ron Thompson:** Thank you very much, Mr. Scarpaleggia. Let me address them briefly and then talk a little bit about this proposed hearing that I suggested a moment ago.

I think whenever you have a need to have the federal government liaise and interact with and deal with the provinces and the municipalities and perhaps other stakeholders, by definition that's a complicated exercise, and nobody would undersell how difficult that can be. But that is the situation we're faced with, and we're not

persuaded that it's an impossible task. What we've concluded, looking at this chapter, is that despite all of the commitments and agreements that have been made over the years, there has been a lot of talk but not very much action.

Our concern is that we don't think there has been enough federal leadership, frankly, in order to pursue the partnerships—and I'll call them partnerships—that need to be created between the different levels of government in Canada, to pursue aggressively the funding that would need to be coming in from all three sources, perhaps four sources, and to set out a management approach to dealing with this.

That's why we suggested, in terms of the second hearing, that perhaps the committee might want to hear from government officials who have dealt with contaminated sites, because there the government has put in place quite a good management structure, quite a good sense of direction from the top, realistic objectives—at least they seem realistic to us—and of course some funding, and they're moving forward. Now if the government can do it over there on contaminated sites, is it not possible to do at least some of that over here in looking at aquatic invasives?

So to your question about how difficult it is and whether there are endemic problems in getting at these issues, I think it would be very helpful to the committee to have the affected government departments sitting here and for you to ask them. I think they need to say that.

About extraneous factors, I think I may have mentioned that. It's difficult to deal with other levels of government and other levels of funding, but not impossible.

On scientific capacity, again I would want to hear from the departments that are faced with managing this file. We didn't really audit scientific capacity, Mr. Scarpaleggia, but certainly that's an issue. You don't just need money; you need expertise and ability to clean up these sites, and I'd like you to hear from the departments.

Funding is an issue, but in terms of the dollars that are put in our chapter, you should remember that those are the total dollars to clean up these two different kinds of contamination. The federal share would be about a third of that, which is not inconsequential but not the whole thing either.

**Mr. Francis Scarpaleggia:** I'm just wondering if the difference between the cleanup of contaminated sites, which you say has been fairly successful, and cleaning up the Great Lakes might not have to do with the fact—and maybe I'm mistaken—that when it comes to remediating contaminated sites, those are federal contaminated sites, are they not? So the federal government has sort of complete control over the process.

You bring up a good point about coordinating government departments, and that's why I've suggested to the government that it create a junior minister for water to coordinate the 20 federal departments and agencies that are involved in these issues—and because the Minister of the Environment, whomever that might be at a particular time, has many other issues to deal with. So you bring up a good point about coordination, and hopefully we'll follow up on your recommendation about inviting the departments.

I think science is a big issue. We've heard that the Department of Environment's capacity to deal with water issues is dismal now because of cuts over the years, and I don't know if that can be addressed by your department.

Lastly, would you plan to do a similar analysis on the St. Lawrence action plan? Or maybe you've done that recently and I'm not aware of it.

**Mr. Ron Thompson:** Maybe I could ask my colleague Andrew Ferguson to respond to that.

**Mr. Andrew Ferguson (Principal, Office of the Auditor General of Canada):** Richard may have more information on the St. Lawrence action plan, which we may have looked at in connection with the Great Lakes work a few years ago.

**Mr. Richard Arseneault (Principal, Office of the Auditor General of Canada):** Yes. In 2001 we did a big audit of the Great Lakes and the St. Lawrence, and we looked at what was going on there. In this audit we decided to focus solely on the Great Lakes.

Those 17 sites that were identified as areas of concern in the Great Lakes—this is based on science. The scientists have said that these are the areas where there are problems.

• (1545)

**Mr. Francis Scarpaleggia:** I wasn't suggesting that. I was suggesting that when they craft the agreements, perhaps the scientists aren't involved enough in specifying what needs to be done. I don't know, I'm not a scientist. I'm just raising the issue.

**Mr. Richard Arseneault:** Okay. I get your point.

**Mr. Andrew Ferguson:** The agreements go a long way in specifying the action required to clean up these sites and identifying who should be doing it, but they don't really get to the commitment from the various parties involved that they will do it by a certain date.

In the majority of these sites there are two issues causing most of the problems: contaminated sediments and overloaded municipal treatment works. Those issues are well understood. I don't think it's a scientific capacity issue there, frankly.

**Mr. Ron Thompson:** Might I add one other thing, Mr. Scarpaleggia? I don't mean to hog the floor.

Paragraphs 7.36 and 7.39 contain new recommendations to the government. The government has responded to those and has set out new commitments and timelines for these issues. That might be a logical place to begin discussion with the departments involved.

They say they're taking it seriously. I don't deny that they are, and they've set out some new commitments. But the trouble we've had in doing this work is that we've looked back at commitments made previously and they basically have not been met.

**Mr. Francis Scarpaleggia:** You seem to suggest that governments are required to report to the IJC under the Great Lakes Water Quality Agreement. Did they not report anything?

**Mr. Ron Thompson:** Andrew.

**Mr. Andrew Ferguson:** We understand there have been memos, but not the kind of report the IJC would have expected.

**Mr. Francis Scarpaleggia:** Thank you very much for your answer.

**The Chair:** Thank you.

Mr. Bigras, please.

[Translation]

**Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ):** Thank you, Mr. Chair. I am going to share my time with my colleague Marcel Lussier.

In your report, you indicate that a majority of the areas you dealt with get a grade of "unsatisfactory". What leads you to assign a grade of "satisfactory" or "unsatisfactory" to a particular area?

[English]

**Mr. Ron Thompson:** Mr. Bigras, thank you for that question.

It's important for the committee to understand this. When we look at a commitment or a series of commitments that have been made in a prior year, we look at the actions that have been taken from the point at which the commitment was made until the point of our audit. We try to assess the level of activity in the intervening period on a scale from one to five—one being basically nothing done and five being pretty much full implementation of a recommendation or addressing of a finding. Most of these commitments would probably be in the middle somewhere—say, two, three, or four.

The second thing we do in forming a judgment is to try to think through in our own minds how difficult and complex it is for the government to address this issue, this commitment. If it's very difficult and very complex—and some of these issues are—the level of activity could be a two or a three, but we would still be satisfied, when doing the re-audit, that the government had gone as far as it could reasonably be expected to go at that time, in our view. We take into account those two factors.

[Translation]

**Mr. Bernard Bigras:** My second question deals with chapters 9 and 6 on invasive aquatic species. Perhaps I am repeating myself, but I already gave the first [Editorial Note: *inaudible*] during your presentation.

Mr. Cannon announced his intention last August. An agreement was signed with Canada, Quebec and Ontario in order to open a door to the continent, which, as a consequence, would once more raise the question of intermodal transportation in Canada. One of the apparent priorities is the modernization of maritime infrastructure. The U.S. Army Corps of Engineers is dealing with the matter, and the result for us will very likely change our way of looking at maritime transportation, perhaps by widening and deepening the St. Lawrence Seaway to the extent that ocean-going vessels can enter fresh water, thereby putting our ecosystem in danger from more invasive species.

Given that you say in your report that Fisheries and Oceans Canada does not seem to have correctly identified the invasive species, I would like someone to assure me, at very least, that Transport Canada's strategic environmental assessment is reliable. We can make strategic decisions in transportation, like opening a door to the continent, encouraging maritime transportation, but, at the same time, our ecosystems become threatened. We have a biosphere reserve at Trois-Rivières.

Is Transport Canada's strategic environmental assessment adequate, given the discussions that are currently underway between Quebec, Canada and Ontario?

• (1550)

[English]

**Mr. Ron Thompson:** The short answer, Mr. Bigras, is I don't know, but I'm sure Transport Canada and the Department of Fisheries and Oceans would know.

What you've just added to the table, sir, is another element to a possible hearing with those two departments, looking at aquatic invasives.

I had thought, initially, that the fact they're coming in faster than DFO can deal with them and getting to the bottom of why that's so with DFO would be a good hearing. Certainly, Transport Canada should be at the table in any such hearing, because they're responsible for ship ballast water.

But what you've just added is yet another dimension to this, which is a very good one, and that is, what kind of work has been done to get a sense of the environmental impact of all of this. And I don't know, but I'm sure these two departments could tell you.

[Translation]

**Mr. Marcel Lussier (Brossard—La Prairie, BQ):** Mr. Thompson, I would like to come back to chapter 3 on contaminated sites. The amount of \$2.9 billion dollars set aside to decommission nuclear power stations is not included in the \$3.1 billion. Are contaminated nuclear sites included in the list of 17,800 contaminated sites?

[English]

**Mr. Ron Thompson:** I believe it is. There weren't that many of them, but yes, I think they probably are.

[Translation]

**Mr. Marcel Lussier:** Four major departments are involved with 89% of the contaminated lands. We have Fisheries and Oceans, Indian Affairs and Northern Development, National Defence and Transport Canada. Which is the fifth department?

**Mr. Richard Arseneault:** Involved with what?

**Mr. Marcel Lussier:** In contaminated lands.

**Mr. Richard Arseneault:** We looked at Treasury Board and Environment Canada, two departments that are key to managing the problem of contaminated sites. The four major departments with 89% of the problem are Fisheries and Oceans, National Defence, Indian Affairs and Northern Development. There is another department whose name escapes me.

**Mr. Ron Thompson:** It is Transport Canada, I think.

**Mr. Richard Arseneault:** Right, it is Transport Canada. Those are the four main departments. Other departments have contaminated sites as well, but those are the four main ones. We highlighted these four departments to show how things were going.

**Mr. Marcel Lussier:** Have you received timelines for decontamination work from those four large departments?

**Mr. Richard Arseneault:** The federal government has an overall plan, and each department has developed a plan that is appropriate for its own situation. In some cases, the plans are not complete

because they have not yet examined all their lands to see if they contain contaminated sites. These are five-year plans. So they do not coincide with the government's 2020 goal.

This is what we found during our audit. We talked to the Treasury Board. Treasury Board asked departments to make sure that, the next time they draw up their plans—because they have to draw up a five-year plan every year—it is adjusted to meet the government's overall goal.

• (1555)

**Mr. Marcel Lussier:** But you listed 340 sites that have been cleaned up and 480 others that are in the process of being cleaned up.

**Mr. Richard Arseneault:** Correct.

**Mr. Marcel Lussier:** In round numbers, that is 700, maybe 800.

**Mr. Richard Arseneault:** It is about...

**Mr. Marcel Lussier:** Out of 17,000 sites. Is this a 20-year project?

**Mr. Richard Arseneault:** It is a long-term project, that is for sure. How many decades did it take to create the problem? It is also going to take a long time to fix it. What is interesting and quite remarkable in this chapter is that there is an expert department, Environment Canada, and a central agency, the Treasury Board, working together to give direction and support to the departments that have to implement the plan. In addition, there is a fund that allows priority to be given to the sites that will be decontaminated first.

**Mr. Marcel Lussier:** I want to ask about military dumpsites. They are in chapter 13. Are these military dumpsites just in the ocean or does it also include the military dumpsite in Lac Saint-Pierre?

**Mr. Richard Arseneault:** Yes, it does. A petition was received from someone interested in ocean sites. When we were doing our first audits, we were more interested in ocean sites, but the Department of National Defence told us that we do not have just ocean sites, but also a program that includes land-based or freshwater sites. So yes, the program now is a global one that includes ocean sites and all others. They are including them all.

**Mr. Marcel Lussier:** In chapter 7, it says that understandings with the International Joint Commission have not been observed. Has that had consequences on the agreement between Canada and the United States?

**Mr. Richard Arseneault:** That was not one of my chapters, but we know that the consequences are not very serious.

**Mr. Andrew Ferguson:** No.

[English]

**Mr. Ron Thompson:** There seem not to be.

[Translation]

**Mr. Marcel Lussier:** Mr. Thompson, you talked about four possibilities for future meetings. I missed the first one. What was it?

**Mr. Richard Arseneault:** The first dealt with sustainable development strategies and the strategic environmental assessment in the context of the government's overall sustainable development plan or strategy.

**Mr. Marcel Lussier:** The third deals with government operations?

**Mr. Richard Arseneault:** It does. I do not see anything else.

**Mr. Marcel Lussier:** Fine. Thank you.

[English]

**Mr. Ron Thompson:** Greening operations are in there too.

**The Chair:** Good. Thank you very much.

Mr. Cullen, please.

**Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP):** Thank you, Mr. Chair, and thank you for joining us again, Mr. Thompson.

I have to say that every time I open these green books, it's quite depressing. I suppose that as opposition members we should be excited when there are reports from the Auditor General's office, the commissioner's office, that show government failure. It's meant to be something that we should excite ourselves about in opposition, but the implications of this.... It's not so much the failures that have happened, but I'm trying to understand—and this is what I'll get to in the heart of my questions—the fundamental changes that need to be made within government in terms of accountability and consequence. That's the lead-off from the last question you answered: what is the consequence?

Canadians need to know there is a consequence for somebody somewhere for not doing what government has committed to do. The public are suspicious enough already. Unfortunately, I think reports like this—and I know this is not your intention—support that suspicion of what government commitments actually mean in the real world.

When we've had department heads come before us—if that is what the committee has sought to do—we've had this occur before at the environment committee. They have the ability to produce a great deal of paper and reports that would counter any argument that things aren't well. They can show that things are extraordinarily well. On top of that, they will then give us commitments and reports about how they're strengthening the accountability lines.

If there were a question you could put in terms of framing this and pinning it down to the level of departmental accountability that would leave you feeling some assurance, what would it be?

**Mr. Ron Thompson:** If I may, Mr. Cullen, let me make a comment and then answer the question.

In no case, when we did these 14 chapters and where we found that there's been unsatisfactory progress, did we have an argument on that from the departmental officials. They quite agree that commitments made in the past haven't been met, so they're not arguing that everything is rosy. They know very well things aren't rosy in these various areas.

Now, in terms of the question that I might be inclined to ask anybody sitting here, I would say if you agree that there's a problem, what are you going to do in your ministry to fix it if you're responsible for it? The reason I mention it quite that way is that in a lot of these chapters.... There are nine chapters in total where we make recommendations. We don't make them in all, but in nine of them we've made recommendations. In each of those chapters, the departments responsible for the issues we've raised have committed to do things.

Now, I think that's the forward-looking slant to this report that might be helpful, and I think it would be worth exploring with these deputy heads. You make these new commitments in good faith; how are we to understand that you're going to meet these commitments when ones made previously haven't been met?

• (1600)

**Mr. Nathan Cullen:** You've introduced a new term. I'm not familiar with audit practice, but this is a re-audit.

**Mr. Ron Thompson:** Yes, it is.

**Mr. Nathan Cullen:** This is an audit of an audit in which commitments were already made.

**Mr. Ron Thompson:** Yes, that's right.

**Mr. Nathan Cullen:** I'm taking this counsel under strong advisement. Essentially the question is, why should we believe them now? I have government responses to the first set of audits, saying they made a mistake. They made commitments that they didn't follow through on. They're going to go forward and change things.

We have the re-audit, nine out of 14 chapters not having met their own commitments to the first failure. Their answer will have to be very good because the implications of this...and this leads to my next set of questions.

Was there a department taking a look at species at risk, for example, that looked at the economic implications of their failure on a certain thing? For example, a Conservative member raised this last time during your initial briefing of the committee—he's not here now—about Cultus Lake and other salmon species that have been identified. The government was faced with this conundrum because of the mismanagement of species at risk. A species had eventually been identified. In order to protect it, they would have had to shut down the entire west coast fishery completely.

Is there any assessment of economic impacts to the failure of implementing government policy? Do departments do that kind of thing?

**Mr. Ron Thompson:** I'll ask Mr. Ferguson to address that in just one moment, but may I go back to your first question, Mr. Cullen?

**Mr. Nathan Cullen:** Sure.

**Mr. Ron Thompson:** I may have been a bit flippant.

I would ask two questions of the deputies sitting here. Why were you not able to meet the commitment you made previously? That's important to know too. And how are you going to assure yourself, initially, and us as a committee that you're going to be able to meet these new commitments? I think it's important to know both.

I'd like to know, for example, on aquatics, why they're coming in faster than DFO can deal with them. I don't know. Is it funding? Is it scientific capacity? What is it? I think that would be helpful to know, and that then would be the basis for saying, "All right, if this is what you're going to do looking ahead, then let's talk about how sure you are that you're going to be able to do this." These issues, as you quite rightly point out, are important to all Canadians.

As to the economic side of this, Andrew, would you care to comment on that?

**Mr. Andrew Ferguson:** Sure. In this audit we looked at whether the government itself understood what it was trying to manage with respect to species at risk, that is, the abundance and distribution of the 389 species at risk on federal lands.

We looked at our previous audit. We had concluded the government didn't know the abundance and distribution of these species on its own land in order to manage them effectively, so we recommended they get a handle on that and create an inventory of species at risk on federal lands. We found they have yet to do that.

We also looked at where they were in relation to the Species at Risk Act, which requires the government to have produced 228 recovery strategies, as at the end of our audit, and they had only produced 55 of those 228.

We were looking at a much more fundamental level. Do they know what they're trying to manage, first of all?

**Mr. Nathan Cullen:** The question is about economic impacts. You can't even get to that question if there are only...did you say 58?

**Mr. Andrew Ferguson:** I think that's a reasonable conclusion.

**Mr. Nathan Cullen:** It's important for many of us. There is some connection between the economy and the species we happen to be talking about.

A question that I couldn't find specifically in these chapters has to do with public access to government recommendations and information. We were faced with an internal Environment Canada memo talking about waste water treatment recently. The recommendation that came forward at about \$10 billion to \$20 billion was internal. The government has since responded with some hundreds of millions of dollars, so in terms of scale...not there.

Did your office look at the availability to the public, to stakeholders, of analysis done by government? This study was done by Environment Canada on behalf of the Canadian people, using taxpayers' money. To get at the study is almost impossible, and the conclusions have some political consequence to the government of the day.

• (1605)

**Mr. Ron Thompson:** Oh, for sure.

Mr. Cullen, in the work we did and reported last week, no, we didn't look at that.

**Mr. Nathan Cullen:** Do you mind if I...? You've given me some advice.

I'd encourage you to look in that direction, because at a fundamental level the government can only manage based on good advice. Canadians can only have assurance knowing that government is following at least their own advice.

The example I've given you today about waste water treatment is important to a lot of people. The scale and scope of what's required is also important. Governments like to get out and make announcements about the positive. In the context of what they're not doing, we don't know, because the study isn't being released.

I want to follow through on having this overarching plan, whether it's sustainable development strategies or whatnot. Based upon what you've seen of the government's ability to integrate or inability to

integrate.... The climate change file, which has been a great topic for this committee and for this government and previous governments, is a broad-reaching file. It does not rest just with the minister. It simply can't.

What assurance can we offer Canadians that whatever plan is presented, whether it's a good plan or a bad plan, it will be integrated across the required departments, based upon the conclusions that you folks found in this audit about interdepartmental cooperation?

**Mr. Ron Thompson:** I'll perhaps have my colleague, Mr. Arseneault, add a word or two after a minute. But from what I can see, Mr. Cullen, there doesn't seem to be any kind of mechanism within the federal government to look at issues like climate change, and many other issues that are part of the environmental file, in a coordinated way over time.

I find that surprising. This is a huge entity that is being managed in many areas very well. But in this area, these individual departments that are being tasked to do various elements of environmental protection, including climate change, don't seem to be working together. They seem to be almost flying blind, to a certain extent.

What we're calling for is something that isn't here, as you know, which is an overall plan, or a sense, from the government's perspective, from the government as a whole, of what we are trying to achieve over time. Who is going to contribute to that? Which departments are going to have a say and are going to be able to carry out activities and programs to contribute to that, whether it be climate change or other things, and then get on with it and measure that?

**Mr. Nathan Cullen:** In the absence of that mechanism, and I think this is important for us to understand, I'm almost imagining someone pulling up to a gas station and deciding what type of gas to put in the car when there are no wheels on the car at all. Debating the plan and the measures and targets, without government having any ability to actually perform a plan of any kind—good, bad, or otherwise—seems to be a first step that the government hasn't.... I'm confused as to why. It's not as if this is a new concept you're putting across to us: there's a silo effect; branches aren't talking to each other. There isn't an ability to put gas in this car and make it go anywhere.

Why do you think, after so many years and so many iterations of climate change plans, we're still at that fundamental place?

**Mr. Ron Thompson:** I'm not really sure. I know that in terms of "A Guide to Green Government" years ago, they were calling in that document for an overarching plan. I think government departments over the intervening 10 to 12 years have from time to time called for that as well, and of course we're calling for it as well.

One of the reasons we're particularly keen to put that on the table just now is because I think there is.... I'm always very optimistic about the federal government being able to address a variety of these issues. There's a lot of goodwill within the government. There are a lot of very capable people. They want to get on with the task.



I felt it awkward to bring this status report to Parliament and to this committee with 14 new issues in it. People are going to say to me, well, wait a minute now, we have climate change, which is a huge issue, and now you're lading on 14 more. Well, that's true, but it's not so much of a problem if you could sort of see where they fit into the government's overall plan.

Nobody is expecting—I'm sure you're not—all of this to be done at once. But I think it would be helpful for this committee, for Parliament, and for the Canadian people to understand that the federal government actually has a plan for all these issues, or many of them, and that they're going to be sequenced into operation in a reasonable way.

That's one of the reasons we got into calling for an overarching plan, and we believe in it strongly. As to why it hasn't been put in place, to me, it would just be good management practice. We're auditing the quality of management in the federal government; in this case, it's the environmental file. In that sense, I think it belongs, and it isn't there.

• (1610)

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

We'll go to Mr. Warawa.

**Mr. Mark Warawa (Langley, CPC):** Thank you, Chair. I'll be splitting my time with Mr. Watson, so if you could, stop me at five minutes.

Mr. Thompson, thank you for being here with your colleagues.

The timeframe for the audit is not just two years. We're looking at a substantial amount of time, are we not?

**Mr. Ron Thompson:** Yes, Mr. Warawa, we are. We're going back, in some cases, to 1998. But mainly, it's over the past decade.

The audits, the 14 re-audits, as we called them a minute ago, have been directed at issues, but they have not been directed at any one government or any one parliament.

**Mr. Mark Warawa:** Correct, and I appreciate that. I think it's a good challenge to be able to look back at a trend, and the trend is that we have a lot of work to do yet on the environment. I appreciate those challenges.

You have 14 chapters. You have a chapter covering the main points. Of the 14 chapters, there were nine where there was unsatisfactory action by past governments and the present government and five satisfactory. Is that correct?

**Mr. Ron Thompson:** That's correct.

**Mr. Mark Warawa:** I want to focus then, starting on the first chapter.

About 16 months ago, in December of 2006, the government announced \$300 million for the chemical management plan, dealing with very dangerous chemicals. I was shocked to see how many people are getting sick because of exposure. Actually, one in 12 of the fatalities in Canada are related to the environment, poor quality in the environment. The government committed to the chemical management plan. How was that initiative looked at, or how did it influence the report we have before us today?

**Mr. Ron Thompson:** Thank you very much for that question.

Perhaps I'll ask my colleague, Richard Arseneault, who's responsible for that chapter and the other two in the first set, to respond.

**Mr. Richard Arseneault:** Thank you.

Yes, we have, obviously, looked at this chemicals management plan. As you know, CEPA, the Canadian Environmental Protection Act, required the Department of the Environment and the Department of Health to do a categorization of the domestic substances list. It's a long list of 23,000 chemicals.

They did this screening, a mechanical exercise determining which ones were candidates for further risk assessment, and they came up with a list of 4,300. This chemicals management plan is a response of the government to deal with this new priority list of substances over the next while.

We looked at the plan. The plan was already being implemented. It had been piloted. We saw some of the decisions coming out of that. We looked at the capacity of the departments to deal with this new priority list of thousands of substances. In the past, the government had a smaller list of substances, but it took forever to do the assessment. So we wanted to see if it had learned some lessons and would be able to streamline the process for assessing while still maintaining the scientific rigour to do the proper assessments.

We saw that all the pieces were in place and that money was available. That's why, when we looked at the overall situation, we had to conclude that progress was satisfactory. But the work isn't over, obviously. This is work for the long term. But progress today is satisfactory, because all the pieces of the puzzle are in place and there's actual, real work happening on the ground.

**Mr. Mark Warawa:** Good. I am very excited about that, actually. I was there for that announcement. I think it's important that we look at issues and actions that are going to see positive results.

**Mr. Richard Arseneault:** Not only that, the chemicals management plan also deals with pesticides. The needed re-evaluation of older pesticides, which we've been critical of, obviously needed more funding. The chemicals management plan is providing the PMRA with additional funding to complete this exercise.

**Mr. Mark Warawa:** Thank you, Mr. Arseneault.

I have another quick question, and it refers to our protected areas.

I've had the honour of working with two environment ministers. When Minister Baird became the environment minister, one of the first things he did was announce the Great Bear Rainforest agreement. He has also announced the expansion to Nahanni National Park and to the Lake Superior national marine conservation area. He also set aside some land for a future park in the Northwest Territories.

You're seeing a trend, a very positive trend. This was in chapter 4, which got "unsatisfactory". Are we heading in the right direction with these strong commitments to protecting our natural environment?

•(1615)

**Mr. Ron Thompson:** I'll ask my colleague, Andrew Ferguson, who's responsible for that chapter, to comment in a minute.

In that area, we found that the government has a sense of the threats to these areas, but it really hasn't monitored yet whether these threats are getting more severe or declining. It has a strategy it has put on paper and maybe has put in play a little bit, but it's not implemented yet. And there really aren't expectations, that we could see, as to what is expected in terms of making the kind of progress you're talking about, Mr. Warawa, looking ahead.

In that sense, we were disappointed. We thought the progress was unsatisfactory. There was just too much to do as of the end of June of last year, I guess, Andrew, for us to conclude anything else.

**Mr. Andrew Ferguson:** The problem didn't seem to be a matter of identifying areas that needed protection, but rather, as Mr. Thompson said, identifying the threats that needed to be addressed and then responding to those with management plans and action plans to do so. We found that most of the action plans remain 20 years or so out of date for the sites in question, the 143 sites we looked at.

**Mr. Mark Warawa:** I appreciate that. So we have a lot more work to do on that file, but it is going in the right direction. When you have \$30 million announced with the province and industry for the Great Bear Rainforest...I was so excited to see that. It protects a very sensitive area.

**Mr. Andrew Ferguson:** We look at the management of the issue. Independent, as well, of announcements, we look at how things have been managed on the file.

**Mr. Mark Warawa:** Thank you.

**The Chair:** Mr. Watson.

**Mr. Jeff Watson (Essex, CPC):** Thank you, Mr. Chair, and welcome to our guests.

I find that the 14 follow-up audits point out something very obvious. I think the climate change debate has sucked up most of the oxygen on environmental debate in terms of the political arena for quite a long time, and these 14 audits point back a long time to a lot of work not done for a number of years. It shows the breadth of the long-term environmental neglect.

With 14 follow-up audits, obviously governments have to make priorities, and I think we're starting to see some of those priorities emerge from this government. We talked earlier about the chemicals management plan, of course, and \$225 million for habitat preservation. We're starting to see some of the announcements rolling out now. Funds have to go into programs. Programs have to be set up, as to their requirements, and so on, and then the money starts to flow. We're starting to see some of that now.

On green infrastructure, of course, we've announced \$33 billion in infrastructure funding—\$8 billion for the Building Canada Fund—which is being negotiated. Some negotiations with the provinces are

complete. For Ontario right now it's an ongoing negotiation, as I understand it. With the \$8 billion in that fund particularly, one of the pillars addresses issues of clean water, waste water, those types of things. So when you're calling for funding, some of that negotiation is going on now.

Of course, we've seen in some budgets now some money set aside for sediment cleanup. In your report here on the Great Lakes, you said the \$90 million estimated cost of Randle Reef, for example, was still unfunded as you ended your audit. Of course, our government has announced \$30 million as the federal share, the one-third share of that particular project.

So I think we're beginning to see a sequence, because these audits not only have to approve something in terms of a management plan, which you're addressing, but they also have to translate into budgetary dollars and programs to actually do something about it.

One of the things I find insightful in regard to the areas of concern in the Great Lakes is that in five years, between 2000 and 2005, four goals didn't get it done. There was a new agreement signed in 2007, for the years 2007 to 2010, a new Canada-Ontario agreement. Does this agreement address your concerns regarding cleanup of the Great Lakes, or does it address most of your concerns, or some of them?

Secondly, is there a planned audit in another three years to follow up on some of these commitments, or are you going to revisit AOCs again?

I've read a lot of reports from the CSD and the Auditor General and other departments, and usually the recommendations that are responded to by the government are fairly bland. I see some extremely specific commitments here, with timelines and actions linked to timelines. Will you be revisiting that to see if in fact they have been met?

From our side, we can look at this and say, "Okay, now I can look at budgets ahead and ask, are we setting aside the money; are we doing some of these things to achieve our goals?" But will you revisit it?

So the first question is on your assessment of the new Canada-Ontario agreement. How far does it go in addressing your concerns that weren't fulfilled in your previous audits? Secondly, will you revisit, and when?

•(1620)

**Mr. Andrew Ferguson:** I'll preface my remarks by saying that this is an issue that was identified in 1987, when these sites were first identified as being severely degraded and in need of remediation. There have been, as you said, four plans—Canada-Ontario agreements—since that time. We have noted some weaknesses in previous plans. We've noted some marked improvements in the most recent plan in terms of identifying the roles and responsibilities more precisely.

One of the things that gave us some cause for concern was that whereas the government previously had targets for delisting these sites—in other words, returning them to beneficial uses and delisting them from being areas of concern—they no longer have targets for doing that. So that was an issue of concern in the most recent agreement.

**Mr. Jeff Watson:** Are those targets in terms of the requirements for delisting, or are they targets in terms of when they hope to achieve the delisting?

**Mr. Andrew Ferguson:** It's that latter part, targets for when they hope to achieve the delisting.

In some ways we're pleased with the added precision of the most recent Canada-Ontario agreement; in some ways we're concerned because there are no target dates for actually delisting these areas.

**Mr. Ron Thompson:** If I could respond to your second question, Mr. Watson, I think I mentioned earlier, departments have given quite specific responses, with timelines and whatnot, to the recommendations we made. That is a great thing. They're really trying to work with us to get some commitments, and then of course to live up to them.

Chapter 7 is a good example. There is such a lot of money on the table here. There has to be a lot of money spent to clean these up. I'm very hopeful that we will see good action on this file in the coming years. We don't have an audit on the books yet for that, but if we see a lot of activity in this area, then obviously we will want to take a good look to see whether we should re-audit.

**Mr. Jeff Watson:** Thank you.

Thank you, Mr. Chairman.

**The Chair:** Thank you.

Mr. Chan.

**Hon. Raymond Chan (Richmond, Lib.):** Thank you very much, Mr. Chair.

This is my first time to this committee. I'm substituting for my colleague, John Godfrey, who we all know is a champion on environmental issues.

Welcome to the committee, Mr. Thompson. I quote you a lot in my communications. It's nice to put a face to a name.

Mr. Godfrey has many issues relating to the report you tabled, but he has two specific concerns, which hopefully you can shine some light on. I would like to put them both on the table. If you don't have enough time to answer, and I hope you do, then maybe you can respond in writing.

The first question relates to protecting wildlife and the habitat issue, which was raised earlier by another colleague on this committee. You talk about the questions we should put to the deputy minister. Why are you not meeting the deadline? Why are you omitting the obligation? How are they going to fulfill their obligations in the future? Since there are no consequences when a department fails to meet legislative deadlines, obligations, and requirements, would you think that having some consequences in legislation would be helpful in advancing the cause?

The second question relates to the government's progress on strategic environmental assessment and guidance for greening operations. You say in your report that the government is unsatisfactory. His concern is whether a national sustainable development strategy could help in ensuring that guidance is clear for the application of the SEA and the greening of the government operations. Would a national strategy be helpful in advancing this cause?

These are the two questions he would like answered.

● (1625)

**Mr. Ron Thompson:** Thank you very much.

Let me address the second one first and the first one second, if I may.

In terms of the national sustainable development strategy, we talked about that a bit on Monday. What we've been encouraging, through our reports, is a federal government strategy, which would be part of a national strategy. But we audit the federal government, so it's a little hard for us to go beyond that.

Clearly, if an overarching federal government plan or strategy for sustainable development was put in place, certainly that would provide some help to the SEA process. It would give something for the SEA process to interact with and it would help with greening government operations, too, because a set of objectives, presumably, in that strategy would have to do with how the government is going to green what it does. So I think, yes, that would help.

In terms of the consequences for failing to protect habitat, I wouldn't really want to suggest that putting things in legislation or consequences in legislation is a good thing here. But good management should have, as part of it, rewards for doing things well and some kind of consequence for doing things poorly.

In that sense, if habitat isn't being protected properly, one of the consequences presumably would be that the deputy minister and his or her staff who are responsible for protecting habitat would be called summarily, from time to time, to a committee like this in a public, televised hearing, with their feet held squarely to the fire, and asked, "What are you going to do about it? The Canadian people are depending on you. Why are you letting them down?"

I've seen that happen over 30 years of being in this business, and it may not be very nice, but I think it's important to close the accountability loop like this. That, I think, would be a set of consequences that people would react to, if I may suggest.

**Hon. Raymond Chan:** Thank you, Mr. Chairman.

**The Chair:** Mr. Vellacott.

**Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC):** I don't have any questions.

**The Chair:** Okay. Any other questions?

Mr. McGuinty.

**Mr. David McGuinty (Ottawa South, Lib.):** Mr. Thompson, I want to go back to the strategic environmental assessment questions you had earlier.

I think you mentioned DFO and Transport. Was it DFO and Transport, in particular? You referenced them in terms of may or may not have—

**Mr. Ron Thompson:** Yes, that was on the aquatic invasive species.

**Mr. David McGuinty:** Perhaps you could refresh my memory. In your report, do you single out a department or agency or commission with respect to not having sufficiently conducted strategic environmental assessment?

**Mr. Ron Thompson:** Well, we've looked at a number of them. We've looked at 15 departments, Mr. McGuinty, in this particular chapter, chapter 9.

Health, I'm told, is a good example of a department that did not do things well, and you would have expected them to.

**Mr. David McGuinty:** Our government brought in strategic environmental assessment as a cabinet decree, if I recall. Is that correct?

**Mr. Richard Arseneault:** A cabinet directive in 1990...so it was probably a Conservative—

**Mr. David McGuinty:** In 1990, so the previous government brought it in.

**Mr. Richard Arseneault:** Yes, you did it in 1999 and in 2004.

**Mr. David McGuinty:** I'm sorry, the previous government did what in 1999 and 2004?

**Mr. Richard Arseneault:** In 1999 it was renewed, and it was renewed again in 2004. The original one was in 1990.

**Hon. Geoff Regan (Halifax West, Lib.):** It was the Progressive Conservatives. The Progressive Conservatives did that.

**Mr. David McGuinty:** Was there any material change in the...?

**Mr. Richard Arseneault:** The big change was in the last version—a transparency—to make a summary of strategic environmental assessment, to make them public. When we audited this, the application was not as great.

**Mr. David McGuinty:** I haven't looked at strategic environmental assessments in a long time and how they are conducted. Do we actually know how to conduct these things?

**Mr. Ron Thompson:** Let me just jump in here, and I might get my colleague Mary Anne Strong to comment if she wishes.

There are some good things that have happened in that area, on that file. It's not all bad, even though the system isn't working the way it should. There have been some courses developed and given to departments on how to conduct these things. There is the Canadian Environmental Assessment Agency, which is sitting there ready to help departments do these things and do them well.

So in terms of those two findings from this chapter, Mr. McGuinty, I would say there are people within the federal government who indeed do know how to do these things.

•(1630)

**Mr. David McGuinty:** In your examination of Health Canada and 15 other line departments, is there a discernable nomenclature? Is there an established practice?

It reminds me of the difficulty people have with cumulative environmental assessments. I spent three years on projects in the Northwest Territories, looking at, for example, the rapid exploitation of non-renewable resources. There's always a large clamour—and an important one—for the conducting of cumulative environmental assessment processes to look at, for example, overall caring capacity on sensitive tundra. But as a former practising lawyer, I always look for the “how”.

In your 15 departments looking at strategic environmental assessments, is there a nomenclature? If we were to point to a web page or go to the Canadian Environmental Assessment Agency, would we find a widely accepted methodology for conducting strategic environmental assessments pursuant to this cabinet decree?

**Mr. Ron Thompson:** Before I ask Mary Anne Strong to comment, I'd like to say this. One of the frustrations in this chapter, Mr. McGuinty, as we look at what I think is a very important issue, is that departments have from time to time put in place management structures and systems to do these things. They just haven't exercised them, and that's the frustration.

Is there a nomenclature, a way of doing this, Mary Anne?

**Ms. Mary Anne Strong (Project Leader, Office of the Auditor General of Canada):** There are guidelines that were put in place in 2004 by the Canadian Environmental Assessment Agency and PCO. But they're voluntary guidelines. This is a self-assessment process. It's up to each department and agency to define, first of all, the nature of an important environmental effect. They define this for themselves.

Each department has its own method of doing strategic environmental assessments. We found that many are slipping through the cracks. We did not look at each proposal in detail, nor did we look at the quality of the assessments themselves. What we can say is that CIDA, for example, has done at least 89 strategic environmental assessments. Some were 100 pages long. Other departments are doing strategic environmental assessments that might be a paragraph long.

**The Chair:** Thank you.

Mr. Thompson.

**Mr. Ron Thompson:** I don't mean to hog the floor, but I would like to provide an overall comment on this report. I've been saying it outside the committee, and I'd better say it to the committee as well.

To me, in this report of 14 chapters there are four basic messages. It's certainly not all bad news.

The first message is, where there's a will there's a way. There's a lot of good activity that we've identified in this report over five chapters, and I think people should realize that.

Secondly, in other chapters there's been, as we put it in the press the other day, probably far too much talk and far too little action. Why that's the case, I don't know, but I think Parliament needs to get to the bottom of it.

The third message is that some of the fundamental tools of good environmental management are broken. I'm talking about SDSs, SEAs, and the absence of an overarching strategy or plan.

The fourth message is, now is a great time to take a look at this, to take stock of where we are, to look forward and encourage the government to get on with the task.

**The Chair:** Thank you, Mr. Thompson. That's a good way to end.

We want to thank you for a comprehensive and thorough report. I know the committee will think about how we're going to deal with this and take your advice into account.

Thank you.

I believe Mr. Cullen has agreement on a motion, so I will excuse our guests.

Mr. Cullen.

• (1635)

**Mr. Nathan Cullen:** There's been discussion within all the parties that we'd like to move to the subcommittee and invite the parliamentary secretary to become part of this conversation about the calendar.

**The Chair:** Is this a permanent position, Mr. Cullen? I think we should make that clear.

**Mr. Nathan Cullen:** Let's discuss it in subcommittee. Right now let's make it temporary and then move to discussion from there.

**The Chair:** He won't be able to—

**Mr. Nathan Cullen:** To be clear, we haven't talked about it.

**The Chair:** Then he will not be able to vote, and we won't have achieved an awful lot. It has to be named by the full committee, not by the steering committee. They can't make decisions. All of them must be made by the main committee.

While we have the main committee here and we haven't adjourned the meeting, if everybody agrees, we should do it. Then we don't have to bring it back and discuss it. We can't carry on with the meeting until we do this.

**Mr. Nathan Cullen:** I'd like not to get hung up on this particular part of the conversation. I hear what you're saying in terms of the

procedure. I think it's due course to hear from the other opposition parties particularly, and the government as well.

**The Chair:** Sure.

I'd like some input.

Mr. Bigras, did you have a brief comment, and then Mr. McGuinty and Mr. Warawa?

Mr. Warawa.

**Mr. Mark Warawa:** Thank you, Chair.

The norm is that the parliamentary secretary would be on the steering committee—if we have a steering committee. If anything is sent to the steering committee, the norm would be that I would be on that committee—I, or whomever the parliamentary secretary is—so that you would get the government's perspective on that, which will hopefully make the discussions at the committee more efficient.

This committee, as we've heard time and time again, has the right to be its own master. So if the motion is made today that I not be temporary but a member of the steering committee, and in the future—which could be at any time—the committee wants to change their mind, then it could be reconsidered.

**The Chair:** It has to be done by the main committee. That's the point.

**Mr. Mark Warawa:** But I would prefer that it be simple, that I'm a member of the committee.

**The Chair:** Mr. Cullen.

**Mr. Nathan Cullen:** Perhaps, despite recent experience and better judgment, I will then move that the parliamentary secretary become a permanent member of the steering committee and that we move to look over the schedule for the next 30 to 60 days.

**The Chair:** Is there any discussion on that?

(Motion agreed to)

**Mr. Nathan Cullen:** Then I would move that the meeting be adjourned.

**The Chair:** We'll go to a steering committee meeting.

This meeting is adjourned.





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