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Standing Committee on Natural Resources

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• (1535)

[English]

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

Welcome to meeting number 82 of the House of Commons Standing Committee on Natural Resources.

Pursuant to the order of reference of Tuesday, October 17, 2023, and the adopted motion of Wednesday, December 13, 2023, the committee is resuming consideration of Bill C-49, an act to amend the Canada—Newfoundland and Labrador Atlantic Accord Implementation Act and the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act and to make consequential amendments to other acts.

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

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

I will remind you that all comments should be addressed through the chair. Additionally, taking screenshots or photos of your screen is not permitted.

With us today for the first hour is the Honourable Seamus O'Regan, Minister of Labour and Seniors. We will proceed with Minister O'Regan's opening statement.

Joining Minister O'Regan, we have, from the Department of Employment and Social Development, Helen Smiley, director general of strategic integration and corporate affairs. Supporting the other departments, we have, from the Department of Natural Resources, Abigail Lixfeld, senior director of the renewable and electrical energy division, energy systems sector, and Annette Tobin, director of the offshore management division, fuels sector.

Minister O'Regan, the floor is yours for five minutes. Welcome.

[Translation]

Hon. Seamus O'Regan (Minister of Labour and Seniors): Thank you very much.

Good afternoon, everyone. It's a pleasure to be able to speak to Bill C-49 today.

[English]

People of Newfoundland and Labrador have relied on the ocean forever, and others across Atlantic Canada have too. It's who we are. It's what we know. We are very proud of it. Bill C-49 recognizes a significant opportunity. Out my way, when you see an opportunity, you grab it.

I'm old enough to remember when the accord was born at the hands of people like John Crosbie, Brian Peckford and Bill Marshall. I was lucky enough to work for Premier Brian Tobin when he hit Hibernia first oil and wrote those first speeches.

However, I can tell you that the in-between times were bleak because of the cod moratorium. Oil saved my province. Times were bleak, and then we started to build our offshore. I remember first oil and I remember thinking, "We don't have a clue what we're doing." We didn't know what was possible, but we knew what could be done and we knew we had to go for it. Jointly, we managed and regulated it through C-NLOPB. We stayed the course and people prospered. In fact, people built up energy and oil and gas right across this country and around the world.

We started in Newfoundland's offshore in what the CEO of Exxon Mobil has described to me as the harshest environment in the world that his company operates in. We found a way. More importantly, we built up one of the most skilled labour forces the world has ever seen. People noticed and companies noticed, much like they're doing right now.

Look, the world is evolving. Where we get our energy and how we get it are evolving too. Naturally, the Atlantic Accord should evolve. Unions agree, industry agrees and the provinces agree. This is because the world is looking for wind and looking for hydrogen, and Newfoundland and Labrador, God knows, has the wind and can produce the clean hydrogen the world is rushing to get.

I must admit that I had my doubts, but then I stood on a runway in Stephenville, Newfoundland, to see the German Chancellor's plane land with possibly some of the top CEOs in the world: the CEOs of Siemens and Mercedes. They were telling us they wanted to buy hydrogen from us. This race around the world is on, and delaying this any more is like starting the race with your shoelaces untied.

Markets are moving. Business is moving. Investment is moving. We need to skate to where the puck is. Today, the Alberta Investment Management Corporation just announced a new billion-dollar fund dedicated to global energy transitions in decarbonization sectors.

This is a challenge, and we are proud to take on a challenge. We applaud the engineering skills that build a West White Rose gravity-based structure, because they are the same skills that build the wind turbine monopiles that are stored right next door in Argentina, Newfoundland.

The same C-NLOPB that has managed the offshore for decades will usher in the same success for wind and hydrogen. Newfoundland and Labrador's offshore industries association, one of the biggest advocates of our offshore over the years, has already gone ahead and changed its name to Energy NL because it knows where the market is headed. That very same Energy NL, which changed its vision in 2022, now looks to a sustainable and prosperous lower-carbon energy industry. It gets it. It's following the money.

This industry will be built. It's already happening. China is already producing half of the global supply of offshore wind. Do you think China is slowing down? Do we want those jobs going to China? No, thank you. I want Newfoundlanders and Labradorians on the ground floor of this trillion-dollar industry. I want them supplying the world with wind and hydrogen and taking home the profits.

Newfoundlanders and Labradorians—Canadians—should not lose out on this. This is about the livelihoods of thousands of workers back in my home province. It's about their families. It is about them doing what they do best.

This bill was drawn up with the provinces of Newfoundland and Labrador and Nova Scotia. The premiers want it. Premier Furey and Premier Houston, one Liberal and one Progressive Conservative, are both urging that we get ahead of this and get on with it because they want it, because businesses in their provinces want it and because workers in their provinces are the best in the world at it.

• (1540)

[Translation]

We have done so in the past, and we will do so again.

[English]

The Chair: Thank you, Minister, for your opening statement.

Colleagues, before I begin our first round, I just want to remind everyone that I use these two cards. Yellow means there's 30 seconds remaining, and red means time's up. I'll try not to interrupt you mid-sentence, but I will be waving these. If I have to interrupt you, I will, just to keep our meeting on time and on track.

We will now begin our first round with the Conservative Party of Canada and Shannon Stubbs.

Mrs. Stubbs, the floor is yours.

Mrs. Shannon Stubbs (Lakeland, CPC): Thank you, Chair.

Thanks to the department officials and Minister O'Regan for being here.

Minister, I've enjoyed many of our conversations about the inextricable links between Albertans and Atlantic Canadians, who for generations have built each other's provinces to the benefit of all of Canada. As a first-generation Albertan—and you and I have talked a lot about our common roots—and as the daughter of a Newfoundlander, I care deeply, just as you do, about offshore petroleum opportunities for Newfoundlanders and Labradorians, for Nova Scotians and for all Canadians. I also care deeply and Conservatives care deeply about future opportunities in new and renewable technologies.

Just as you've outlined, it is surely true that the same pioneers and innovators who have unlocked offshore Newfoundland and Labrador with incredible talent and technology are the same pioneers who unlocked the oil sands. They'll be the same pioneers to lead the future of alternative technology development and the fuels of the future.

Here's what my concern is about Bill C-49, despite the mischaracterizations of your colleagues. I won't hold those against you, because you haven't been here at the committee. This is the problem with the bill. You know that the global market for offshore petroleum exploration and development is highly competitive because it's extensive in scale, cost and risk. Even exploration is outstanding in that way.

That is why it is very important for regulatory and fiscal regimes to be certain, clear, predictable and fair. They are, in fact, inextricable from the business case decision that private sector proponents would make. The truth is, as you know, for offshore petroleum development, a private sector proponent will spend years and years, raise millions of dollars in capital and head towards exploration to only maybe do about three or four bids a year, and they can choose to go anywhere in the world.

Just as you've said, Newfoundlanders and Labradorians have led the world in this effort, and in 2022, of course, five bids worth \$230 million were bought from the offshore of Newfoundland and Labrador. Those represent thousands of jobs, spinoff jobs and economic opportunities for Newfoundlanders and Labradorians and all Canadians.

That was the number in 2022—five bids. Bill C-49 was introduced in May 2022. There was another bid for offshore petroleum exploration off the coast of Newfoundland and Labrador in November 2023. Do you know how many bids there were?

Hon. Seamus O'Regan: No, I do not.

Mrs. Shannon Stubbs: It was zero. There were no bids. This is my concern. The same story is being seen in production such that in 2020, Newfoundland and Labrador produced over 100 million barrels of offshore petroleum per day. Today—and I know you know this better than almost anyone—that's fallen over 35% to less than 67 million barrels per day.

Those are the consequences of layers and layers of anti-energy policies and legislation. That's why Conservatives oppose Bill C-49. It's very clear that the uncertainty and lack of clarity—and the proof is already in the pudding—will end offshore petroleum development. The truth is that the lack of certainty and lack of clarity will also be barriers to private sector proponents who want to develop offshore renewables, because they require the same things around certainty, clarity and consistency.

I wonder if you, like me, will call on your minister to fix Bill C-69 since Bill C-69 is full of sections that have already been declared unconstitutional. Those sections are in Bill C-49. That causes exactly the same kind of uncertainty regarding clarity that will prevent offshore petroleum developers and private sector proponents who want to get into offshore wind renewables.

Are you also concerned that the government has not done a single thing to fix Bill C-69 in 110 days and that Bill C-49 includes proposed sections 61, 62, 169 and 170, which all come from Bill C-69 and are all unconstitutional?

• (1545)

Hon. Seamus O'Regan: Let me elaborate on the premise of the question, because I definitely agree with you. The competitiveness of our offshore was paramount, and I can tell you that Paul Barnes from the Canadian Association of Petroleum Producers was in the room.

I got an earful as soon as I got elected, because the problem we were confronting was that the Conservative government that preceded us had managed to take a 300-day timeline on exploratory wells and make it 900 days through the CEAA in 2012. It put us completely out of the ballpark when it came to competing with the North Sea or competing with Norway—

Mrs. Shannon Stubbs: This government has been in place for nine years and—

Hon. Seamus O'Regan: —and we have reduced that from 900 days to 90 days.

Mrs. Shannon Stubbs: —you are the minister right now, and we're dealing with Bill C-49.

Hon. Seamus O'Regan: I know you said—

Mrs. Shannon Stubbs: Minister, I need to explain. The timeline—

Hon. Seamus O'Regan: —a lot of disparaging things about the IAA—

The Chair: Minister, I'll ask you to just hold your thought for a second. We have a point of order from Mr. Aldag.

Mr. Aldag.

Mr. John Aldag (Cloverdale—Langley City, Lib.): Mr. Chair, I'm going to go back to the same issue that we had a couple of days

ago with members asking questions but not allowing our witnesses to respond. You have spoken about the difficulties—

Mrs. Shannon Stubbs: He was talking about a government nine years ago.

Mr. John Aldag: —of the interpreters and other staff being able to do their jobs if we have multiple people speaking.

I think you should remind those at the committee that if they're asking questions, they should give the courtesy to the minister to actually respond to the question.

The Chair: Thank you, Mr. Aldag, for your point of order.

Colleagues, it is important that we have one person speaking into the mic at a time so the interpreters, who do a tremendous job, can interpret effectively. Let's make sure we do allow, as the question comes, the minister to finish his answer and his thought, and then you can proceed to another question.

I hope all colleagues can abide by these rules for the best interest and functioning of our committee, but most importantly for the interpreters, who we want to make sure do a concise and accurate job of interpreting.

Minister, you were mid-sentence. If you would complete your thought, we could go back to Mrs. Stubbs.

Hon. Seamus O'Regan: Yes. We were able reduce the time from 900 days to 90 days using the regional assessment provision that's contained within the IAA. The way you did it before is that you myopically looked at this section here and that section there, and you had different environmental assessments and all the consultations. The red tape and duplication were the worst I have ever seen in my time in public life, which extends a few decades.

Mrs. Shannon Stubbs: Thank you, Minister—

Hon. Seamus O'Regan: What we were able to do is reduce that and do one massive assessment—

Mrs. Shannon Stubbs: I'd like to talk about Bill C-49—

Hon. Seamus O'Regan: —and we reduced the time from 900 days to 90 days. However, I had to correct that—

Mrs. Shannon Stubbs: Yes, except—

Hon. Seamus O'Regan: —because that competitiveness is really important.

Mrs. Shannon Stubbs: —the problem is it's not true because the reality is that—

Hon. Seamus O'Regan: No. It's absolutely true.

Mrs. Shannon Stubbs: —in Bill C-69, the minister has the power to interfere, stop, start or extend the timeline of any project assessment for any condition the minister deems necessary. That's why Bill C-69 causes such uncertainty.

My concern is that the clauses from Bill C-69 are in Bill C-49. I will quote what the Supreme Court said about a section. It said that this section “grants the decision maker a practically untrammelled power to regulate projects...regardless of...jurisdiction”.

This is the problem. It's the issue of political interference being able to set new conditions. Also, there's the impact of being able to unilaterally declare antidevelopment zones. It causes great uncertainty for offshore development on offshore petroleum, but also any private sector proponent who wants to get into developing offshore renewables—

Hon. Seamus O'Regan: In an industry on which my province relies for its prosperity, you managed to change the goalpost from 300 to 900 days. That is political interference. We reduced it to 90. It's as simple as that.

Mrs. Shannon Stubbs: Your government has been in power for nine years.

The Chair: Thank you, Minister.

Thank you, Mrs. Stubbs.

Hon. Seamus O'Regan: We did that.

Mrs. Shannon Stubbs: But there are zero bids for projects offshore in Newfoundland.

The Chair: The time is up.

We will now proceed to our next speaker. From the Liberal Party of Canada, we have Ms. Jones for six minutes.

Go ahead, Ms. Jones.

Ms. Yvonne Jones (Labrador, Lib.): Thank you, Mr. Chair.

I want to thank you, Minister, for being here today.

I know you understand the importance of the Atlantic Accord to Newfoundland and Labrador and Nova Scotia—probably better than most, having lived through a number of processes as they relate to changes to the accord. I have too.

It has not gone unnoticed how important the Atlantic Accord has been to Newfoundlanders and Labradorians in building a strong economy and strong workplace. Not only did they lead the way in offshore oil development, but they set in place the trades, the labour component and the skill development—everything you need to build any industry within the province.

Today they're asking to lead in offshore wind, which is a clean energy sector. In fact, Premier Furey has already posted today how important it is that the province of Newfoundland and Labrador see passage of Bill C-49 amendments so they can move forward on the bold path they've carved out for themselves in offshore wind in Newfoundland and Labrador.

Minister, I want to ask you today to bring to light for this committee how important this bill is to Atlantic Canadians, to the labour force, to the families who live there and to the overall economy of Atlantic Canada.

• (1550)

Hon. Seamus O'Regan: At home, we just call it “the accord”. It's just called the accord.

When I was Minister of Indigenous Services and, stepping outside of that role, in my role as regional minister for Newfoundland and Labrador, we were able to find an additional \$2.5 billion, using the levers of the accord, for our provincial government and our province's economy. That's astounding, as I know you know, Ms. Jones. That's a lot of money for us. Because it was recurring funding over a number of years, it positively affected the credit rating of the province almost immediately and saved additional hundreds of millions of dollars.

What it did at that time—such a pivotal time in our history—was that it gave us control of our destiny. There is nothing we can do with the Atlantic Accord federally without it being mirrored provincially. Similarly, legislation provincially must be mirrored federally. We have to agree on these things. There's no getting around it. That sort of autonomy gave us such a sense of pride and a sense of prosperity at the time. Some people have called the Atlantic Accord our document of prosperity.

In my lifetime, it has created an industry that we are so proud of. We export our talent and our people all around the world. I sit on a plane, as many of you know, on flights from St. John's to Toronto, and the guy next to me is going to Mongolia at 29 years old because of the things he knows and the things he has learned. This is not something I thought we were capable of doing. Nobody thought we were capable of doing this 30 years ago. We are some of the best in the world at it.

You provide a form of stability and investment that provides training and benefits for a province. You allow them control. You attract investment.

We would have to reproduce something or would have to come up with some new government entity or body in order to embrace the billions of dollars and thousands of jobs that this has the capability of producing. Why would we do that? This works perfectly well. It has been proven and people believe in it. More importantly, the investment community believes in it. Actually, more important than that is that Newfoundlanders and Labradorians believe in it.

Ms. Yvonne Jones: Absolutely they do.

We know it's about jobs and it's about labour. It's about Newfoundland and Labrador and Nova Scotia really owning the royalties that they create on offshore energy projects.

We also know that it's being done in a supportive way with others who use the ocean. The issue of the interaction with the fishing industry has been raised here. We've developed offshore oil and gas in a great partnership with the fishing industry in Newfoundland and Labrador. Now we're looking to do so with offshore wind as well.

Can you inform the committee about what consultations or engagements have taken place with the fisheries and oceans sector within the provinces?

Hon. Seamus O'Regan: C-NLOPB, which I think will now be the C-NLOEPB, just to incorporate all forms of energy that we now realize are off our shores, has had mechanisms like One Ocean, for instance, that deal directly with the FFAW and with fishermen to make sure there's no overlap.

It's not always perfect, but people come to an agreement at the end of the day. We have a structure and an environment in which everyone gets along. Everybody can make money and at the same time value these important resources that exist off our shores. In Newfoundland and Labrador, we are all too aware of the fragility of our fishery. We have to make sure that they can all coexist. We have allowed them to coexist over the tenure of this offshore industry that has blossomed over the past three decades.

We're some of the best at it. We'll continue to do it.

Ms. Yvonne Jones: I'll make this a short question, in 30 seconds. I want to focus on jobs and the economic value for Atlantic Canada.

There have been so many skilled labour forces and trades developed across these provinces. We know that they're out there looking for new developments and new initiatives.

Can you tell us what the impact on the jobs and the economy will be in Atlantic Canada?

Hon. Seamus O'Regan: I'll have a much better idea of what the impact will be as soon as we can get this legislation passed because that's what investment is waiting on.

Let's not dilly-dally with this. We have billions of dollars in the offing. We know where investment money is going around the world.

AIMCo in Alberta just announced a new billion-dollar fund. They also added that they've been investing in renewables and energy transition—that's their language—for pretty much the past 10 years.

Let's not miss out on this.

• (1555)

The Chair: Thank you, Ms. Jones.

Thank you, Minister.

We will now proceed to Mr. Simard from the Bloc Québécois for six minutes.

The floor is yours, Mr. Simard.

[*Translation*]

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

It's good to see you again, Mr. O'Regan. You were the first minister of Natural Resources appointed after I arrived in the House in 2019.

Something you said in your opening remarks struck me. You said that oil saved your province. The problem is that now we have to save the planet from oil, and that means a transition. For me, the transition is quite simple. We need to move from carbon-intensive energy to low-carbon energy. Unfortunately, I get the impression

that most of your government's actions are geared toward supporting the oil and gas sector.

You're the Minister of Labour and Seniors. You'll understand what I'm getting at. We have to transition. You may not like the term “just transition”, but workers will have to be supported as the Canadian economy transitions. My feeling is that not enough is being done to move away from fossil fuels. In that sense, I found your opening remarks quite revealing because you said that oil saved your province.

You talked about seeing the German chancellor and CEOs of big companies like Siemens come to your region. I had the opportunity to go to Germany with the Minister of Energy and Natural Resources and meet with people from Siemens, but those leaders made it clear to us that they thought making blue hydrogen, which is derived from gas, was a non-starter because the technological risk was much too high. In other words, it would cost far too much to ever be profitable.

I want the people of Newfoundland and Labrador to come out ahead, and I hope there will be a transition for them. If wind power can make that happen, so much the better, but I get the impression that the oil and gas sector is competing with the clean energy sector, and the government isn't refereeing the game. In other words, you're still giving massive amounts of money to the oil and gas sector. Case in point: the \$30-billion pipeline. I don't see you making courageous decisions, such as supporting clean energy to the same extent as other western countries.

I keep all of that in mind when I look at Bill C-49. Personally, I am in favour of provincial autonomy. This bill does not contradict that principle, and the people of Newfoundland and Labrador want to see it passed. Why would I vote against this bill? I would be angry if a member from Newfoundland and Labrador came and encouraged us to vote against an agreement between Quebec and Canada. The only thing that bothers me about this is the fact that it's still a bill that I feel is designed to support fossil fuels. Why? Because it allows for the authorization of new oil and gas development. In my opinion, the government is not using this bill to do the courageous thing that would enable us to shift from carbon-intensive energy to low-carbon energy.

The purpose of wind, as I understand it, is to make blue hydrogen. Tax credits for hydrogen are also given to folks in the natural gas sector who want to make blue hydrogen, not green hydrogen. Those two sectors will be competing. So I feel that, at the end of the day, this bill is a waste of time. They want to take the word “hydrocarbon” out of the agreement and talk about energy instead. This is actually a kind of greenwashing, because the largest part of the agreement is about fossil fuels.

I don't know if you agree with me.

Sorry, that may have been a long intervention.

Hon. Seamus O'Regan: Thank you for the question, Mr. Simard.

[English]

I wish the transition were easy. It's not going to be easy. It's going to be messy, it's going to be difficult and it's going to be challenging. However, it could be incredibly prosperous for the people of my province and the people of the country as a whole if we get it right. Abrupt stops and starts to whole industries, especially when....

I know that a lot of people in some parts of this country don't appreciate this. In Newfoundland and Labrador, Saskatchewan and Alberta, we appreciate this. We are the fourth-biggest producers of oil in the world and the fifth-biggest producers of gas. That is big. There is no getting to net zero or transitions without those three provinces. It isn't going to happen. Every part of the country benefits from that prosperity.

Having said that, I often say that in my part of the country, in Newfoundland and Labrador, we can't really afford ideology. We don't let that get in the way. Stare opportunities squarely in the face. This is about jobs and money. These are opportunities from investors coming and knocking on our door and German chancellors landing their planes and telling us we are the place they want to invest in for green hydrogen. It's great.

I'll tell you who I find incredibly brave. Don't look necessarily to the politicians. Look to the workers of my province. There is a community in Newfoundland called Argentinia. They are building a gravity-based structure for the West White Rose project. If you stand there and look at it, this thing reaches right up to the sky. This was built by men and women using cement driven in wheelbarrows to go to the top of this thing and build it. It is a gravity-based structure for an offshore oil rig. Right next to it, they are building the biggest monopile marshalling port on the eastern seaboard, putting together wind turbines for the entire eastern seaboard.

That's a transition. That is staying out of the way of investment but allowing workers to do the work they do. The same workers and same unions building one are also building the other. This is how it happens. It happens before your eyes. It's not a big "stop one and start the other". It is going to take time.

I agree with you, Monsieur Simard, that we need to get faster at it. There's no question. However, I'll tell you what: This unnecessary obstruction of legislation that would attract renewable investment isn't helping things much. We need to get busy.

• (1600)

The Chair: On that note, thank you, Mr. Simard, and thank you, Minister, for your response.

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

The floor is yours, sir, for six minutes.

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you so much.

Thank you, Minister.

I just want to set the record straight. It would be fair to say that you and I have had our scraps over the years.

Hon. Seamus O'Regan: Yes.

Mr. Charlie Angus: If I do interrupt you, because you're full of flight and fancy right now, it's only because I have a bunch of questions.

That being said, I think what really concerns me is that we have a window, and that window will pass us by if we don't move. Since Biden moved on the IRA, with half a trillion dollars in new investments, they're at twice what they said they would get for solar capacity three years ago. They're at 43% more than what they said they would get for wind.

I'm dumbfounded that I'm sitting here at a committee where my Conservative colleagues are going to vote against jobs in Newfoundland and Labrador just out of spite. We have an opportunity. Those projects are going to the United States. They're construction jobs. They're long-term jobs. They're jobs for the communities.

How is it possible that we could sit on the sidelines and let that opportunity go to the United States, China or Europe, leaving us in the dirt?

Hon. Seamus O'Regan: Mr. Angus, I would just say to you, as I've said to members of this committee already, that if we didn't have the Atlantic Accord and the C-NLOPB, we'd have to invent it. That would just take time. Plus, it would take time to build up a reputation as being a safe place for investors to go. We have that.

When I think about our nuclear industry, going back to when I was natural resources minister, that's another industry that is extremely competitive. One thing that really strikes me is that one of our greatest advantages is our regulatory regime. It's one of the best in the world. Investors know it and trust it. People know that it contributes to safe and clean forms of energy. We cannot let that be squandered. We cannot whittle that away. You are absolutely right.

When I was the natural resources minister and Dan Brouillette was the secretary of energy, he and I got along very well, but the Trump administration was not exactly favourable to these things. A 180° has happened. I can tell you that, ultimately, people will follow the money. Renewables have only plummeted in cost, and profits will only rise.

Mr. Charlie Angus: Thank you.

On the issue of certainty, investors will not come to a place where the message is that if you're clean and alternative energy, we're going to block development. This is my concern.

Andrew Furey, the Premier of Newfoundland and Labrador, whom I've not personally met—

Hon. Seamus O'Regan: He's a good guy.

Mr. Charlie Angus: —says:

The significance of these amendments to the Atlantic Accord cannot be understated.

This will echo loudly now and be heard for years and years to come. Much like the original Atlantic Accord, we again take stewardship of our natural resources [and] the winds of change are upon us.... Today, we start towards a new frontier for future generations. This is a gigantic win for [Newfoundland and Labrador].

My good friend the member for Coast of Bays—Central—Notre Dame represented the Premier of Newfoundland as some kind of poor rube at a country fair. He said that you guys had hoodwinked him and pulled the wool over his eyes.

Could you give me the truth here? On this clean energy project and on jobs in Newfoundland and Labrador, are the Conservatives right? Did you take this poor guy out of Newfoundland and Labrador, walk him around the back and take his wallet, or is he speaking up about the jobs we need? I need an answer on this.

• (1605)

Hon. Seamus O'Regan: Andrew Furey is a trauma surgeon who was trained at Johns Hopkins University. I don't think I or anybody else—I think Ms. Jones could agree—can hoodwink Andrew Furey. He's listening to investors.

I have to plead with members of this committee. Not only are we providing unnecessary obstruction, but it's also in the things we say. To have the CEO of EverWind come out and say that he was really taken aback by offensive remarks and was misquoted around this committee.... This is somebody who was looking at spending millions of dollars in Nova Scotia and potentially in Newfoundland and Labrador.

Please, just let this money flow and let jobs be created in this incredibly important industry. The transition people talk about is happening because the money is going that way. When the money goes that way, jobs follow. Usually, smart politicians follow.

Mr. Charlie Angus: I want to raise that question, because my good friend from Cumberland—Colchester—who's been elected for, I don't know, two years—was pretty emphatic. He said everybody knows there's no financial case for hydrogen. That's why he's going to vote against jobs in Nova Scotia. I was looking up the numbers. It said \$320 billion. I met Chancellor Scholz in Germany. He seems to think Canada has hydrogen potential.

Does the member for Cumberland—Colchester have that area of expertise? Again, it's about hoodwinking the poor Premier of Nova Scotia, who said he wants this. Is there any case for hydrogen, or is this some kind of “big woke” conspiracy we're dealing with here?

Hon. Seamus O'Regan: Mr. Angus, even more than the Chancellor of Germany, I would say to trust the people who are willing to put down the money—the billions. Follow investors. Follow the money. The money is leading to these resources. Who are we to get in the way so long as they are following the right regulatory framework we put in place to make sure we find a balance for the environment and all the other stuff that I think we can all agree on? There are nuances, but—

Mr. Charlie Angus: We have to. We scrap all the time. This is about jobs. This is about whether Canada has a place or not. The Conservatives are adamant. They are not going to let this thing pass.

What is it going to mean for investors if they are looking at Canada as a dead-end road, when Europe, China and the United

States are putting in the money and Germany is looking for that hydrogen? Are we going to be able to stand up and deliver that product to Germany?

Hon. Seamus O'Regan: Look, let's step out of the way and let the market happen. Let investment flow. If they want to bring it here, who are we to get in the way? We have a regulatory structure that has worked for our offshore oil and gas from its inception to its maturity right now. It continues to prosper. I look at West White Rose and the gravity-based structure being built. It continues to happen. Investment continues to flow.

More money is now going to lowering emissions and building up renewables. What an amazing thing that is, Mr. Angus. I think you can agree, from your tenure in Parliament, that all the money is suddenly going that way. That's incredible. Other places are diversifying, including AIMCo in Edmonton.

The Chair: Thank you, Mr. Angus, for your questions.

Minister, thanks for your detailed responses.

We will now go to our next round of five minutes. We'll start with Mr. Small from the Conservative Party.

Mr. Small, the floor is yours.

Mr. Clifford Small (Coast of Bays—Central—Notre Dame, CPC): Thank you, Mr. Chair.

I would like to thank the Honourable Minister O'Regan and the officials for coming to the important discussion and debate on this bill today.

Minister, I just heard you reference the investment flowing into our offshore. In 2015, bids for exploration parcels were over \$1 billion. After eight years, that dropped to zero last year.

Mrs. Shannon Stubbs: That was following the introduction of Bill C-49.

Mr. Clifford Small: Yes, exactly. Bill C-49 was introduced in May. After that, anyone building a bid stopped. They pulled the resources away. There were zero dollars flowing to our offshore for bidding up parcels for exploration. At the same time, in the Gulf of Mexico, bids were almost \$400 million. Exploration companies were tripping over each other while they walked away from us.

Do you agree with industry stakeholders that the uncertainty introduced by the unconstitutional Bill C-69 and the amendments you propose through the Atlantic Accord might be a little responsible for that investment walking away from Newfoundland and Labrador?

• (1610)

Hon. Seamus O'Regan: Who are your industry stakeholders?

Mr. Clifford Small: The oil and gas companies that explore.

Hon. Seamus O'Regan: I know them.

Mr. Clifford Small: You know them, and you know they didn't put any bids in this year.

Hon. Seamus O'Regan: Mr. Small, are you making a correlation between a lack of investment in the oil and gas industry and proposed legislation that really, as I would argue, only extends the stability that the oil and gas industry has enjoyed over the past number of decades? Are you saying that? I don't see the relationship other than timing.

Mr. Clifford Small: Minister O'Regan, I'll read you a little clause from your bill, from your amendments:

the Governor in Council may, for the purpose of the protection of the environment, make regulations prohibiting, in respect of any portion of the offshore area that is specified in those regulations and that is located in an area that is or, in the opinion of the Governor in Council, may be identified under an Act of Parliament or of the Legislature of the Province as an area for environmental or wildlife conservation or protection,

(a) the commencement or continuation of

(i) any work or activity relating to the exploration or drilling for or the production, conservation, processing or transportation of petroleum, or

(ii) an offshore renewable energy project;

Can you say, beyond reasonable doubt, that a clause like that would not give a tinge of uncertainty to investors who want to come to explore, or would they go somewhere else like the young fellow from Angola that was on the plane with you?

Hon. Seamus O'Regan: I think he was actually from Trinity and was going to Mongolia, but I hear your point.

Nothing can happen in the Atlantic Accord legislation without it being mirrored legislatively by the province of Newfoundland and Labrador to the letter. Nothing can happen to the industry without the province's approval. That has always been the way of the accord, and that is probably, singularly, its greatest achievement. It will continue to provide us that stability, and it will continue to provide us that flexibility.

I cannot speak to investors' decisions on oil and gas. I can tell you that oil and gas off our shores is certainly a capital-intensive endeavour. Anybody who has stared at Hebron or currently stares at West White Rose knows it is a lot of money. Gulf oil is much cheaper, but the one thing you cannot question is that the greater the stability and certainty you provide investors, the greater investment you will realize.

The more we disparage investors around this table and unnecessarily obstruct this legislation, the far greater the chances we're going to be looking at a lot more uncertainty than that.

Mr. Clifford Small: These investors want certainty. If you're an investor, you'd want certainty.

Hon. Seamus O'Regan: Indeed.

Mr. Clifford Small: Let's say that was your own money you were going to put somewhere and there was a shadow of a doubt that you were wasting that money. If you could go to a friendlier jurisdiction and know that your investment was not in jeopardy and that the goalposts weren't going to be moved, where would you go?

Hon. Seamus O'Regan: What is the alternative? Would we create an entirely new construct to attract investment in this burgeon-

ing field, and would we have to take the time for it to gain a reputation among investors?

Mr. Clifford Small: The oil and gas industry of Newfoundland and Labrador is not something new. It has prospered under the intent of the original Atlantic Accord.

Hon. Seamus O'Regan: Mr. Small, we are proposing very new industries. We are saying to extend the same stability that was afforded to offshore oil to renewables so people know and understand that the rules will not change.

Mr. Clifford Small: It's not an issue with renewables. There's no problem.

The Chair: Thank you, Mr. Small and Minister O'Regan, for that.

We will now move to the next set of questions.

Mr. Sorbara, you have five minutes.

Mr. Francesco Sorbara (Vaughan—Woodbridge, Lib.): Thank you, Mr. Chair.

I will split my time with my colleague Darrell Samson, from the wonderful province of Nova Scotia, in about two and a half minutes.

Welcome, Minister. It's nice to have you here today with us.

First off, I read the release today. You're the chair of the ministerial working group on regulatory efficiency for clean growth projects. I do welcome that statement. There are a lot of good things the folks on that cabinet committee are doing to ensure that Canada is positioned to take care of, take advantage of and leverage our strengths in the clean growth future we are moving into.

Before turning it over to Mr. Samson, I have one question.

When you look at a portfolio or at energy sources and you are looking in that vein, you talk about diversity. You want to diversify your portfolio and your energy sources.

The way I think about offshore wind or offshore energy, depending on the term you want to use, is that it's able to diversify the energy sources that the wonderful provinces of Newfoundland and Labrador and Nova Scotia, in these two cases, can generate. They can provide extra energy and extra funds, drive investment and create wealth and jobs.

I think that's what we're talking about today, and that's why we have the support of the premiers of both of those beautiful provinces. I think that's where we're going. Is that really what this conversation on Bill C-49 is about?

• (1615)

Hon. Seamus O'Regan: It's about diversity. It's about money. It's about jobs. That's what the offshore has brought to us, and also the technical expertise that, thank goodness, in this instance is transferable to these new jobs. In other words, the same labour force that did one does the other. As I said, you stand there in Argentina, Newfoundland, and it's happening there right in front of you.

Workers are behind this and unions are behind this because this is about jobs and money. It has been a blessing to my province, but the world is changing. Investors change, things move and money moves, and you're seeing greater diversity in many energy portfolios. Again, in looking at the news today, we're seeing AIMCo in Edmonton taking \$1 billion of their money and putting it towards "energy transition", in their words, and global energy transition. I presume they're making investments around the world in these fields and in renewables. They're diversifying.

We continue to look at ways to diversify because that's what investors want. At one point, it was perhaps just the leaders in environmental groups and in governments, but now it's investors, and that is a tide that will be very difficult to turn for any one of us. It's one that we shouldn't be trying to turn anyway. It's one that we should embrace. I think this is such a pivotal moment. Having been Minister of Natural Resources and now, years later, standing before this committee, I think the level of investment and interest in the potential for this country is just massive.

We've embraced these industries before. We embraced oil and gas before, and look how good we got at it. Now we can take that same prowess, that same expertise and that same ability and put it towards something new, where investors in those same industries are starting to put their money. The opportunity is golden.

Mr. Francesco Sorbara: I agree.

With that, thank you, Minister.

I'll turn the remainder of my time over to MP Samson.

Mr. Darrell Samson (Sackville—Preston—Chezzetcook, Lib.): Thank you, Minister, for being here today with us. Also, thank you to your staff.

This is an extremely important topic for all Atlantic Canadians, and an extremely important topic for Newfoundlanders and Nova Scotians. I'd like to read a quote for you. During debate in the fall, in October, Premier Houston, the Conservative Premier of Nova Scotia, said, "Bill C-49 is a necessary first step in unlocking our energy potential. There will be many [other] steps along the [way] but we are hopeful that Bill C-49 passes". Less than an hour ago—so obviously he is very concerned about where we're going with this—Mr. Houston said, "We believe in the potential for green hydrogen and clean energy in our province. This will mean good-paying jobs for Nova Scotians and...for the world."

Minister, could you share your comments on that? Why do you think Poilievre and his party are against creating great jobs for Nova Scotians and Atlantic Canadians? What is the issue?

Mr. Jeremy Patzer (Cypress Hills—Grasslands, CPC): I have a point of order.

The Chair: Mr. Samson, we have a point of order from Mr. Patzer.

Minister, I'll ask you to hold until we deal with this point of order.

Go ahead, Mr. Patzer.

Mr. Jeremy Patzer: The member opposite knows that is not true. Conservatives obviously support the creation of good jobs all across the country, especially in Newfoundland and Labrador, and however the provinces want to do that, we support it.

The Chair: Thank you, Mr. Patzer, for your engagement, but that's not a point of order relevant to a procedural issue—

Mr. Darrell Samson: They voted against it in the House.

The Chair: I will ask Minister O'Regan to briefly respond to that question.

You have about 15 seconds.

Hon. Seamus O'Regan: The great victory of the Atlantic Accord was that the federal government recognized that Newfoundland and Labrador should prosper from its offshore oil and gas, and Nova Scotia as well, in the same way that Alberta and Saskatchewan do because theirs is on land.

We're not just looking for the support of these premiers. They are very much in charge here. We can't do anything without them and them without us. We have to do it together, in concert. This is more than just support. This is us getting in the way of two premiers and two provinces intent on more money and jobs for these provinces. Think about that.

• (1620)

The Chair: Thank you, Minister.

We will move to our next round.

Monsieur Simard, you have two and a half minutes. Go ahead.

[*Translation*]

Mr. Mario Simard: Thank you, Mr. Chair.

I just want to pick up on the discussion we had earlier. I completely understand your desire to advocate for jobs in your province. That's certainly commendable. We all do it. I also want to emphasize that I respect the jurisdictions of each province. That's the problem with this bill. As I explained to you, the main issue is transition.

That said, I'd like to ask you a simple question: Do you agree that, in the not-too-distant future, we're going to have to get Canada's economy out of oil and gas? I'd like a short answer, please.

[English]

Hon. Seamus O'Regan: No. I think oil and gas is going to be with us for some time. It's just a matter of whether or not we burn it. Whether it's plastics or health care supplies, this is a huge industry.

Oil and gas is going to be with us for quite some time. What we need to get rid of, and what we need to be laser focused on, are emissions.

[Translation]

Mr. Mario Simard: Okay, that's interesting. So, if I understand you correctly, on the energy front, Canada will be stuck with fossil fuels for a long time to come.

[English]

Hon. Seamus O'Regan: That is not what I said, Mr. Simard.

[Translation]

Mr. Mario Simard: Well, then, here's my question: Do you believe that Canada will remain a country whose economy is based primarily on the oil and gas sector?

[English]

Hon. Seamus O'Regan: What the world is asking us to do, what investors are asking us to do and what we need to do for the sake of the planet is cut emissions. We need to cut emissions whenever and wherever we can find them.

The good news is that the money is now doing that. It is extraordinary news because we need a massive amount of investment, not only in this country but around the world, in order to do that. Emissions are polluting our air and heating up our planet. We need to cut emissions.

[Translation]

Mr. Mario Simard: Thank you.

Mr. O'Regan, what you're saying sounds an awful lot like what we hear from big oil companies, which would have us believe that it is technologically possible to have low-carbon oil in the near future.

When I talk to experts, they all tell me that's a pipe dream. Money is being invested in carbon capture strategies, but it's a pipe dream. These resources are being wasted instead of being used to develop low-carbon energy. According to numerous analyses, we are one of the countries that invests the least in clean energy.

In my opinion, low-carbon oil is a bit like poutine during a diet. Quebeckers like poutine. But if you're on a diet, you don't eat poutine. No one is going to claim that there's such a thing as low-calorie poutine. That's stupid, and it doesn't work like that. It's the same with oil. There will never be low-carbon oil.

Having said that—

[English]

The Chair: Mr. Simard, my apologies, but you're over time.

[Translation]

Mr. Mario Simard: Okay. I will be back later to talk about my poutine recipe.

[English]

The Chair: Minister, I want to give you the opportunity for a very quick response, please.

Hon. Seamus O'Regan: Mr. Simard, I understood. I want to repeat this to the committee: Let the market play out. The market is playing out. The cost for renewables, solar and wind is plummeting. You are seeing energy companies all over the world diversifying into these places because there is more money to be made.

Listen, I am not one to say that's a bad thing. That is a good thing because it will drive investment. This transition is happening because the market is fuelling it. That is what has happened just in the past few short years. If I can say anything to this committee, it's to please let the market do what it is doing.

The Chair: Thank you, Minister.

We will now go to Mr. Angus for two and a half minutes.

Mr. Charlie Angus: Thank you, Mr. Chair.

The Conservatives point out that investment dollars for oil and gas exploration are drying up, which is very much what we're seeing. The International Energy Agency is saying there's a major shift under way.

We have the Premier of Newfoundland and Labrador saying they want to take advantage of what jobs can be created with alternative energy. The Conservatives have said he's not too bright and has been hoodwinked; he's had the wool pulled over his eyes. They said they're going to stop this.

Mr. Clifford Small: I have a point of order.

The Chair: Mr. Small, go ahead.

Mr. Clifford Small: Mr. Chair, I take great offence to Mr. Angus' comment. I made no reference to any premier's level of intelligence. I would like him to withdraw that remark.

The Chair: Colleagues, I would ask that we focus on the study at hand today.

On the point of order, if a statement has been made—

• (1625)

Mr. Charlie Angus: I hope this isn't coming out of my time.

The Chair: —a member has an opportunity to clarify it when they have an opportunity to speak. However, we do stay relevant to the conversation we're having, and we make sure we're not making accusations that are unfounded against others. Let's use our time to question the Minister.

I would ask Mr. Angus to go ahead.

Mr. Charlie Angus: How did you hoodwink the provinces? How did you pull the wool over their eyes? That would suggest a very dismal view of the Premier of Newfoundland and Labrador, but we've seen the same attitude for the Premier of Nova Scotia.

The Conservatives are going to vote against the premiers of Nova Scotia and Newfoundland and Labrador because they're trying to get clean energy projects. I'm thinking back to 2007. Do you remember Stephen Harper and how he went after Atlantic Canada on the Atlantic Accord? Do you remember the great Bill Casey, the Conservative? Danny Williams also stood up.

I just want to get my head around the idea that Pierre Poilievre has decided that unless Newfoundland and Labrador is willing to go down with the ship on big oil, he is going to stop Newfoundland and Labrador and Nova Scotia from moving ahead on economic development. Pierre Poilievre has instructed his people to come in, ridicule the premiers and say he's going to stop this from going forward.

Have we seen anything like this since Stephen Harper decided to pick his fight with Danny Williams? We know how well that went down for the Conservatives. They're still picking up the pieces.

Hon. Seamus O'Regan: I'm not going to make assumptions on motivation. I will say this, though, and this is really at the heart of the Atlantic Accord. Provincial autonomy is so incredibly important when it comes to natural resource development that those closest to the resource have control over that resource and those closest to the resource benefit from that resource. That has helped to build this country. I would say that it is encapsulated and enshrined in the Atlantic Accord.

It means so much to our provinces as a result. It gives us a sense of autonomy, direction and control. The other thing is to provide the stability and certainty to draw the investment that we have proven we can draw over the past three decades. We will continue to do this in this really exciting and new industry where the money is going. Follow the money.

The Chair: Thank you, Minister.

We are now going to Mr. Small.

Mr. Small, you're going to have a shorter round of three minutes because the minister has a hard stop at 4:30. Go ahead.

Mr. Clifford Small: Thank you, Mr. Chair.

Minister O'Regan, I just heard you talk about those close to the resource. Offshore wind, which is a wonderful thing, uses all of the natural resources that flourish in Canada, but to the people close to the resource, the fishing industry is going to be competing with offshore wind. Someone close to the fishing industry—in fact very close to the fishing industry—Katie Power, texted me last night. Overall, the language from Liberals and their minister surrounding expediting and fast-tracking is enormously dismissive to the vocal and fierce opposition locally in Newfoundland.

I don't agree with the minister's comments that the Province of Newfoundland and Labrador is comfortable with the verbiage on pace within the bill, particularly for the fishing industry. Did you consult with the fishing industry at all?

Hon. Seamus O'Regan: Yes, we did.

Mr. Clifford Small: Did you consult with the FFAW? I ask because that's not what they're telling me.

Hon. Seamus O'Regan: Yes, we did. We went to One Ocean, which is a mechanism that I used as Minister of Natural Resources. It brings all parties around the table so we can work out—

Mr. Clifford Small: We're going to have them here anyway, and they'll be able to answer that question.

Hon. Seamus O'Regan: Absolutely.

Mr. Clifford Small: Did you consult with the United Fisheries Conservation Alliance, the maritime fisheries alliance, the Cape Breton Fish Harvesters Association or the Guysborough County Inshore Fishermen's Association? Do they not ring a bell? What about the Seafood Producers Association of Nova Scotia, the Coldwater Lobster Association or the Brazil Rock Lobster Association?

The answer is no, and we heard about these vast consultations. These are competing geographical areas for these industries. Where's the consultation?

● (1630)

Hon. Seamus O'Regan: Mr. Small, I would think that you, being a member of Parliament for Newfoundland and Labrador, would know better than most that we have always found a way to get along. We have always found a way for these industries to coexist. We have mechanisms in place like One Ocean that continue to work. Do things get perfect? No, but nor do they for farmers or oil producers out west.

Mr. Clifford Small: Why would they come to me about the consultation process?

Hon. Seamus O'Regan: We sit down at the same table and work these things out, but the overall framework that ensures the prosperity of our entire province—

Mr. Clifford Small: I've met with these groups.

Hon. Seamus O'Regan: We have benefited from the Atlantic Accord for the past 30 years. We will continue to benefit as we begin new industries, and we will continue to talk to one another and work it out, as we always have.

Mr. Clifford Small: Will you guarantee that a framework is built into this legislation so that these fishing industry stakeholders have a meaningful voice in the building of offshore wind?

Hon. Seamus O'Regan: They have a meaningful voice now for the oil and gas industry, and they will continue to have a meaningful voice as we move into renewables. That will not change. That is one of the tenets of the Atlantic Accord.

Mr. Clifford Small: That's not what they've been telling me.

The Chair: Thank you, Minister and Mr. Small.

I am going to give a quick question of 30 seconds to Mr. Samson and an opportunity for the minister to answer.

I'm sorry, Mr. Samson, that your time was taken away—

Mr. Jeremy Patzer: On a point of order, what happened to the hard stop at 4:30?

Mrs. Shannon Stubbs: Yes. We were told—

The Chair: We started a couple of minutes late and—

Mrs. Shannon Stubbs: No, Chair. The conversation that you and I just had privately off mic was that the minister has a hard stop at 4:30. That was fine. You said that Mr. Small gets a truncated

Mr. John Aldag: Our colleagues are stalling so that—

Mrs. Shannon Stubbs: —amount. I agree.

We're past 4:30. I don't know why there's suddenly a last-minute question.

Some hon. members: Oh, oh!

The Chair: Colleagues, order.

Mrs. Shannon Stubbs: I'm not done. I don't know why suddenly, at the last minute, the minister—

The Chair: Mr. Small got three minutes. The Liberal time got cut from five to none.

Mrs. Shannon Stubbs: —doesn't have a hard stop. I'm sure he actually does, and now there's suddenly an extra question.

The Chair: I've given Mr. Samson one minute to ask a question. He can be under that because of time. The minister does have—

Mrs. Shannon Stubbs: This goes back to the problem of you, Mr. Chair—

Mr. Darrell Samson: Thank you, Mr. Chair. We started five minutes late.

Mrs. Shannon Stubbs: —with your double standards and rules for thee and not for—

Mr. Darrell Samson: Minister, it really hit a nerve when you said “provincial autonomy”. The Conservatives are always saying to respect jurisdiction, yet here they're not willing to do it. Is it about Atlantic Canada? I'm not sure.

My question is very quick. Bill C-49 is a great opportunity to support labourers in the maritime provinces and will also, very importantly, move us closer to net zero. Why is the Conservative Party against that?

Hon. Seamus O'Regan: The workers in my province, who I am so immensely proud of, and in your province as well, in an industry that I have seen born within my lifetime.... These workers, who have taken on the world in energy, will now move on to this really exciting and amazing new challenge. They are the ones to do it.

I plead with this committee to let the money flow; let the jobs be created. There is nothing bad to see here. We will have bumps along the road. We will have compromises to make. However, at least we can agree on this investment structure. More than that, at least we can agree to respect the autonomy of these provinces as they make their own way into the world and as they continue to

build as they have built, realizing the full potential of these workers. We are now able to do things that can take on the world. Get out of the way.

The Chair: Thank you, Minister, for your testimony today and for giving us an extra minute or two of your time. Thank you to the officials for joining you.

We will now suspend for five minutes to change panels.

• (1630) _____ (Pause) _____

• (1638)

The Chair: I call this meeting back to order.

Pursuant to the order of reference of Tuesday, October 17, 2023, and the adopted motion of Wednesday, December 13, 2023, the committee is resuming consideration of Bill C-49, an act to amend the Canada—Newfoundland and Labrador Atlantic Accord Implementation Act and the Canada-Nova Scotia Offshore Petroleum Resources Accord Implementation Act and to make consequential amendments to other acts.

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

With us today for the second hour we have, from the Department of Fisheries and Oceans, Kathy Graham, director general of marine planning and conservation. By video conference, from the Department of Transport, we have Isa Gros-Louis, director general of indigenous relations and navigation protection, and Joanna Manger, director general of marine safety and security. From the Department of Natural Resources, we have Abigail Lixfeld, senior director of the renewable and electrical energy division, energy systems sector, and Annette Tobin, director of the offshore management division, fuels sector.

Kathy Graham, the floor is yours for five minutes for an opening statement.

• (1640)

Ms. Kathy Graham (Director General, Marine Planning and Conservation, Department of Fisheries and Oceans): Thank you, Mr. Chair.

Hello and good afternoon to committee members.

As mentioned, my name is Kathy Graham and I'm the director general for marine planning and conservation at Fisheries and Oceans Canada. I sincerely appreciate the opportunity to appear before this committee on behalf of the department.

The Government of Canada has committed to increasing the conservation of marine and coastal areas to 25% by 2025 and 30% by 2030. This important “30 by 30” target is articulated in the Convention on Biological Diversity’s Kunming-Montreal global biodiversity framework, which was adopted during the 15th meeting of the Conference of the Parties in 2022.

In 2023, at the fifth International Marine Protected Areas Congress, which Canada hosted, Canada announced important details for its marine protected area protection standard, through which we plan to prohibit several industrial activities within the boundaries of new federal marine protected areas, including exploration, development and production of oil and gas resources.

Fisheries and Oceans Canada, together with Environment and Climate Change Canada and Parks Canada, is responsible for implementing the marine protected area protection standards with the support of other federal regulators such as Natural Resources Canada, Crown-Indigenous Relations and Northern Affairs Canada and Transport Canada. This bill serves to reinforce the joint management framework with the provinces in offshore accord areas. Furthermore, this bill supports the implementation of the protection standard in new federal sites to be established in the Canada-Nova Scotia and Canada-Newfoundland-Labrador offshore accord areas by harmonizing marine protected area laws and accord acts. Amendments would provide the authority for the Governor in Council, with the provincial minister’s approval, to prohibit the commencement or continuation of oil and gas activities and prohibit the issuance of a new interest in areas identified for conservation. The amendments would also enable the negotiation and removal of existing oil and gas interests with compensation in areas that are identified for conservation.

Fisheries and Oceans Canada uses two main types of marine conservation tools to protect marine ecosystems. We use the Oceans Act to establish marine protected areas and use the Fisheries Act to create fishery area closures, which can then be recognized as other effective area-based conservation measures—what we commonly refer to as OECMs—if they meet the criteria set out in the Government of Canada’s marine OECM guidance. Areas recognized in this way are referred to as marine refuges. We rely on Natural Resources Canada to provide assessments of the petroleum resources in candidate areas for protection and to help us resolve any issues of concern that may arise as they relate to oil and gas.

We work closely and collaboratively with our federal, provincial and territorial colleagues and indigenous partners throughout the protected area establishment processes. We use the best available knowledge to inform our processes, including scientific, indigenous and local knowledge. We engage and consult extensively with stakeholders across a wide range of industries from the time an area is identified for conservation to when the area is established as a marine protected area or recognized as a marine refuge. We also seek to minimize socio-economic impacts while achieving conservation objectives for each of our sites.

Bill C-49 would make the application of the marine protected area protection standard more consistent across all of Canada’s marine spaces.

Fisheries and Oceans Canada is committed to working with provinces and territories, indigenous peoples and industry stakeholders to meet the objective of conserving 30% of Canada’s marine and coastal areas by 2030. We will continue to work closely with Natural Resources Canada and the relevant provinces in all aspects of the marine protected area establishment process to ensure that the co-management regime and the provisions of the accord acts are fully respected.

I welcome any questions, Chair.

The Chair: Thank you for your opening statement.

We’ll now go to Joanna Manger for five minutes for an opening statement.

Go ahead.

Ms. Joanna Manger (Director General, Marine Safety and Security, Department of Transport): Good afternoon.

Thank you, Mr. Chair and committee members for inviting us to speak to Transport Canada’s mandate with respect to Bill C-49.

My name is Joanna Manger and I’m the director general of marine safety and security.

I would like to begin by acknowledging that I am joining you remotely today from Montreal, and would like to acknowledge, with respect, that I’m appearing from the traditional and unceded territory of the Kanien’kehá:ka, a place that has long served as the site of meeting and exchange among nations.

As lead department for all transportation issues, policies and programs that promote safe, secure, efficient and environmentally responsible transportation, Transport Canada recognizes the value of offshore renewable energy projects for the Canadian economy and in the transition towards a net-zero economy.

I am joined by my colleague Isa Gros-Louis, director general of indigenous relations in the navigation protection program, to speak about Transport Canada’s role and responsibilities regarding navigation protection in relation to renewable energy projects such as those envisioned in Bill C-49.

• (1645)

[*Translation*]

Transport Canada administers several acts, such as the Canadian Navigable Waters Act and the Canada Shipping Act, 2001, with comprehensive regulatory regimes to support the development of our offshore natural resource potential while mitigating impacts on the public right to navigation, navigation safety, and the safety of mariners and passengers on board vessels. Transport Canada anticipates that the amendments proposed in Bill C-49 will have no impact on the enforcement of these acts.

[English]

The Canadian Navigable Waters Act enables Transport Canada to take actions that protect the public right to navigate on all Canadian navigable waters by regulating structures, devices or things—known as works under the act—that are built or placed in Canadian waters, meeting the internal waters and the territorial sea of Canada, which generally extends up to 12 nautical miles from the coast. This means that offshore renewable energy projects proposed within Canadian waters would require proponents to apply for an approval under the Canadian Navigable Waters Act to build any works. This allows Transport Canada to assess impacts to navigation so that we may mitigate them.

Generally speaking, these mitigation measures involve lighting or marking requirements to ensure these works are visible to navigators in the area to promote the safety of vessels and the works. Such mitigation measures are normally included as conditions in an approval. The Canadian Navigable Waters Act would, however, not apply to offshore renewable energy projects that would be proposed in the exclusive economic zone of Canada, as these are outside the mandate of our legislation.

[Translation]

Transport Canada's marine safety and security program develops, administers and enforces policies and regulations made under the Canada Shipping Act, 2001, to ensure the safe operation and navigation of vessels, the protection of life and property, and the prevention of ship-source pollution.

Some of the regulations that apply to navigation in the current context include the vessel pollution and dangerous chemicals regulations, the navigation safety regulations, 2020, the vessel construction and equipment regulations, and the marine personnel regulations.

[English]

Transport Canada, Natural Resources Canada, the Canada-Newfoundland and Labrador Offshore Petroleum Board and the Canada-Nova Scotia Offshore Petroleum Board have a long history of co-operation when it comes to the safety of offshore operations.

Generally speaking, the Canada Shipping Act, 2001, and its regulations apply to all vessels while in transit to any offshore facilities. Once on site, vessels directly engaged in offshore drilling and production activities are only subject to regulations implemented by the relevant offshore board. Any vessels not directly engaged in offshore drilling activities fall under the Canada Shipping Act, 2001, and regulations implemented by the relevant board. Navigational safety around offshore structures outside the 12-nautical-mile limit would fall under the authority of the Canada Shipping Act, 2001, and regulations such as the navigation safety regulations.

The exact nature of measures taken will depend on the scale and scope of the project undertaken and will be determined after a collaborative process involving the proponent, Natural Resources Canada, the offshore boards and other stakeholders. Transport Canada will continue to collaborate with Natural Resources Canada, other federal departments, other jurisdictions, industry and indigenous peoples to ensure that current and future transportation legislation and regulations continue to protect the safety of naviga-

tors and the right to navigate, while allowing Canadians to benefit from the advancement of offshore renewable energy projects.

I look forward to answering your questions.

Thank you.

● (1650)

The Chair: Thank you for your opening statement.

We will now proceed to our first round of questions, with Mr. Jeremy Patzer from the Conservative Party of Canada for six minutes.

Go ahead, Mr. Patzer.

Mr. Jeremy Patzer: Thank you very much, Chair.

Thank you to all the officials for being here.

Right off the top, it doesn't really matter to me which one of you answers it, but Ms. Graham, this may be easiest for you.

What is the current percentage of MPAs in Canada?

Ms. Kathy Graham: Right now, 14.66% of Canada's marine space is protected.

Mr. Jeremy Patzer: It's 14.66%. The goal is 25 by 25 and then 30 by 30. Do we have a proposed map already for what 25 by 25 is going to look like? Does that exist?

Ms. Kathy Graham: Yes, it does. We published it in February 2023. There are 17 areas of interest we're working on with our partners. I'm happy to make that available to the member.

Mr. Jeremy Patzer: Thank you.

When we look at the regulations of the act, with the way this is drafted with respect to allowing the minister on a project “that is or, in the opinion of the Governor in Council, may be identified under an Act”, we're looking at uncertainty for investors. That's the number one issue, and now it has been verified by the fact that there were zero bids.

Who advocated for that clause? Who asked for that clause to be on prohibitions and the right of the minister to cancel a project based on what may potentially be an area? Whose idea was that?

Ms. Kathy Graham: I can't speak to whose idea it was. What I would say is the amendments being proposed for the accord acts are generally meant to harmonize existing MPA laws with the accord act offshore areas to ensure the joint oil and gas management framework we currently have in place with Nova Scotia and Newfoundland and Labrador is genuinely fully respected.

Mr. Jeremy Patzer: Okay. Thank you.

Ms. Lixfeld, has anybody in industry come to the department and said this is something we need? Especially as it now applies to decisions related to offshore renewable energy, I just want to know if a private sector proponent has come to the department and said they want this regulation written in.

Ms. Annette Tobin (Director, Offshore Management Division, Fuels Sector, Department of Natural Resources): Thank you for the question.

We've been working for quite some time on these accord act amendments, so I can speak to the policy rationale, who we heard from and what we're ultimately driving for in these proposed amendments.

It had been long recognized that there was a gap or lack of tools within the accord acts and within this space for both levels of government to use when it came to marine conservation. In other words, the ability for the accord ministers to prohibit activities in the accord areas for the purposes of marine conservation or to cancel a licence for the purposes of marine conservation just didn't exist. The accord acts were written at a time before marine conservation was a thing. These provisions are new tools. They're consistent with the new tools that were brought in under the Canada Petroleum Resources Act in 2018 and are really intended not to make the decision to establish MPAs across the country, but rather to provide the tool within the accord act for a decision to be taken around prohibition and cancellation.

• (1655)

Mr. Jeremy Patzer: I'm sorry. I have limited time. I don't mean to cut you off.

Do you know if any other jurisdictions around the world have that same ability afforded to a politician?

Ms. Annette Tobin: I don't know off the top, no. I'd have to come back to you.

It certainly wasn't seen as something unique that we were looking to do here. It was really in the spirit of having the decision-making within the accords themselves and not an absence of it.

Mr. Jeremy Patzer: When we look at the fact that there were zero bids in 2023 after this bill was tabled, that sets the precedent for why people don't want to invest in Canada. I think it's easier for them to go.... We heard from one of my colleagues earlier that over \$400 million in bids went to the Gulf of Mexico, for example.

Obviously we all care about the environment. We all obviously care about species at risk or wildlife out in nature, and we want to continue to see the protection of those species, but when we have antidevelopment zones in a lot of senses—if I could rebrand them as that for a second—I think that's a huge part of the problem.

Companies are going to take their investments and go to other jurisdictions with things like that.

As far as this last point goes, proposed section 40.1 talks about the minister having to action "as soon as practicable after deciding to make the recommendation", and then there's 60 days for a ministerial decision and an additional 30 days. Then it says "No time limit". Who asked for no time limit to be given to the minister to decide whether or not they're going to proceed with the project?

The Chair: I'll ask for a brief answer, as the time is up.

Ms. Abigail Lixfeld (Senior Director, Renewable and Electrical Energy Division, Energy Systems Sector, Department of Natural Resources): That specific clause applies only to the decision of whether or not to issue a call for bids. That is the only area to which that applies, and that is to enable the provincial and federal ministers to take the time they need to come to a joint decision on authorizing the regulator to start a call for bids process.

The Chair: Thank you.

We'll now move over to Ms. Lapointe for six minutes.

Ms. Lapointe, the floor is yours.

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

I understand that you engaged with indigenous groups and organizations on this legislation. We certainly expect to hear from indigenous communities over the course of this study.

Can you share with the committee the response of the indigenous groups you met with?

Ms. Abigail Lixfeld: In developing the legislation, we sought out many opportunities to engage indigenous communities across Nova Scotia, Newfoundland and Labrador and other Atlantic communities. There was not a lot of uptake of our offers to engage, but we had a number of meetings and conversations with communities through other avenues, such as the regional assessment of offshore wind, which is currently under way, and subsequent engagement activities with the regulators and through their bodies, such as the fisheries advisory committee in Nova Scotia and One Ocean in Newfoundland and Labrador.

There have been additional opportunities to engage. Once this new regime is in place and we are at the point of actually regulating activities throughout the entire land tenure project development construction phase, there will be opportunities to engage indigenous communities on specific projects.

Anecdotally, we've heard from a number of developers that are interested in developing offshore renewable energy projects in the accord areas. A number of them are already engaging with indigenous communities, coastal communities and others and are looking for opportunities to have indigenous communities join their projects as partners.

Ms. Viviane Lapointe: I also want to ask you about the engagement that has occurred with the fishing sector to date. What opportunities would there be for engagement with that sector in the future?

Ms. Abigail Lixfeld: Similarly, we have had a number of conversations with fisheries groups, such as the fisheries advisory council in Nova Scotia and One Ocean in Newfoundland and Labrador, specifically on the provisions of the bill. I've personally met with the fisheries advisory committee I think three times. Other members of my team have met with them a number of additional times. Likewise, we've met with One Ocean.

The regional assessments, as I mentioned, are meeting extensively with fisheries stakeholders about the development of offshore renewables into the future. Again, throughout the development of specific projects, there will be opportunities to consult with a wide variety of stakeholders and interested groups on the development of projects.

• (1700)

Ms. Viviane Lapointe: Nova Scotia has announced that they intend to launch a call for bids for up to five gigawatts of offshore wind. Are the amendments put forward in this legislation required in order for that to proceed?

Ms. Abigail Lixfeld: Yes, they are.

Nova Scotia is interested, as you said, in seeing their offshore industry expand into offshore renewables. They have set a very ambitious goal of leasing up to five gigawatts by 2030 to meet domestic electricity, hydrogen and other needs.

In order for them to build projects in the accord areas, they need Bill C-49 and these amendments to pass. The province does have a marine energy regime that they could use for projects located within provincial bays, but it would be very difficult for them to achieve a target of five gigawatts outside of the offshore.

Ms. Viviane Lapointe: Can you tell us what other initiatives the government is undertaking to support the offshore wind industry and hydrogen industry?

Ms. Abigail Lixfeld: We are certainly undertaking a fairly ambitious implementation plan in addition to the bill. In budget 2023, the federal government did provide resources to undertake some additional data collection and environmental monitoring studies, which we'll be launching in the accord areas in both Nova Scotia and Newfoundland and Labrador. There are also regional assessments under way, which are an opportunity to engage quite widely with a variety of stakeholders on the development of this future industry.

Ms. Viviane Lapointe: Quickly, the amendments provide the regulators with the authority to have a participant funding program. When will this program be in place? How much money will be provided? What opportunities to participate do you see there being for the public and indigenous groups?

Ms. Annette Tobin: Indeed, there is a proposed amendment for the ability of the boards and regulators to institute a participant funding program that they don't currently explicitly have. As to the implementation of that, the amount of money and how it will be disbursed are details that will follow, but we do know that it will

provide the support needed to encourage and strengthen engagement and consultation with indigenous groups and other stakeholders.

Ms. Viviane Lapointe: Thank you.

The Chair: Thank you.

We'll now go to Monsieur Simard for six minutes.

[Translation]

Mr. Mario Simard: Thank you, Mr. Chair.

Ms. Lixfeld, I'd like to understand how this works. If a developer bids on an offshore wind project, is that bid evaluated by the Department of Natural Resources or by the province?

Ms. Abigail Lixfeld: Thank you very much for the question.

[English]

Everything is managed by the regulator. It is the regulator that launches a call for bids.

Developers that are interested in building a renewable energy project would participate in the call for bids project. That call for bids would outline the details of the intended project, and they would go through an authorization process. All of that is managed specifically by the regulator.

[Translation]

Mr. Mario Simard: In the call for bids process, if the developer has to put together a financial package, will all the clean energy tax credits be included? Will the clean hydrogen tax credits be included in the call for bids, or will a second evaluation be done so they can access the tax credits? I don't know whether it's Finance Canada or your department, Natural Resources Canada, that handles that.

• (1705)

Ms. Abigail Lixfeld: Thank you for the question.

[English]

The tax credits apply to expenses that are incurred. It's a relationship between the developer and Revenue Canada, ostensibly. The details of how those tax credits will apply and the types of expenditures will enable a developer or a bidder in a process to evaluate their bid to determine whether it's a cash bid, for example, or to estimate their project costs. They will be able to calculate the potential value of those tax credits in designing their bid, but it is not part of the evaluation that the regulator would do in assessing the bid.

[Translation]

Mr. Mario Simard: I understand that it would not be the regulator's responsibility.

If I understand correctly, these tax credits are capped, which suggest there is competition for clean hydrogen production and clean energy generation projects. There are some outside of Newfoundland and Labrador, but they aren't necessarily offshore wind projects. I'm already seeing wind projects popping up in my region. Since we know this comes at considerable cost, how can we guarantee that developers wishing to produce offshore wind energy have access to the associated incentives? There are no guarantees.

Ms. Abigail Lixfeld: Thank you for the question.

I think that highlights how important it is to quickly find ways
[English]

to enable the development of offshore renewables in order to ensure that those early project developers will have the opportunity to benefit from all the available incentives and measures that are in place.

[Translation]

Mr. Mario Simard: I'm not sure if there is such a thing, but will guidelines be given to Finance Canada or Natural Resources Canada?

I'll give you an example. In my opinion, the cost of a hydrogen production project with carbon capture strategies would be much higher than that of a hydrogen production project directly powered by hydroelectricity. The carbon footprint would also be higher for a blue hydrogen project.

Will the minister take these factors into consideration when it allocates financial support, or will it be on a first-come, first-served basis? Basically, what I want to know is whether there's already a plan in your department or in Finance Canada to allocate this money to the most promising projects.

Ms. Abigail Lixfeld: Unfortunately, that's not my portfolio, so I'm not really familiar with how those tools were designed. You'd have to ask Finance Canada. Thank you for the question, though.

Mr. Mario Simard: Okay. I don't want to put you on the spot. If you were elected, I would have been happy to do so.

That may not be in your wheelhouse, but determining what types of technology qualify for clean electricity or clean hydrogen projects is in your wheelhouse, is it not?

Ms. Abigail Lixfeld: In a way, yes.

Mr. Mario Simard: Does the department already have information on the types of technology that qualify for clean electricity or clean hydrogen projects? If so, could you provide them to the committee?

Ms. Abigail Lixfeld: I will check with my colleagues to see what exists and what we can provide to you.

Mr. Mario Simard: Thank you very much.

• (1710)

[English]

The Chair: Thank you.

We'll now go to Mr. Angus for six minutes.

Mr. Charlie Angus: Thank you very much, Mr. Chair.

My Conservative colleagues seem to believe that a bill that would create jobs has scared away investment and shut down the oil and gas potential of Atlantic Canada just by announcing it.

Ms. Lixfeld, there hasn't been any oil and gas production off the coast of Nova Scotia, has there, since BP walked away from their projects.

Ms. Annette Tobin: I'll field that one.

That's right. There is no current gas production or oil production in Nova Scotia offshore. Sable was the last project there. That was decommissioned in 2019.

Mr. Charlie Angus: Two elections ago, big oil walked away from Nova Scotia and decided there wasn't a future for them, but there was the one project off Sable Island, the \$1.5-million bid from Inseptio Ltd., that came under intense public opposition. It was just rejected last December. Is that correct?

Ms. Annette Tobin: That's right.

Mr. Charlie Angus: Ms. Graham, were you involved in any of the reviews of the decision to stop the Sable Island proposal from going ahead? We know there was a lot of concern about the.... My colleagues refer to it as "antidevelopment zone", but Sable Island is famous around the world for its fragile nature. A lot of people in Nova Scotia care about it.

Were any of you involved in the public response to this bid by oil?

Ms. Abigail Lixfeld: I was not personally, no.

Ms. Annette Tobin: That is a fundamental decision under the accord acts. Both ministers approve or reject. In that instance, both ministers rejected. I'd be hazarding a guess in terms of what consultation there was or whom they spoke to in arriving at that decision, but it was ministerial.

Mr. Charlie Angus: I'm not trying to have you give us your own hypothetical on this.

What we know is that the oil proposal, the \$1.5-million bid, was deeply opposed by people across Nova Scotia because of the fragility of that land, and that the decision to kill the proposal was made by a provincial Conservative government working with the federal Liberal government. That's how the accord works. They work together.

Is that correct?

Ms. Annette Tobin: That's right. It was a joint decision.

In instances where there is disagreement, there is a provincial veto for that.

Mr. Charlie Angus: Could you repeat that? Is there a provincial veto when they disagree?

Ms. Annette Tobin: Yes, there is under the accord acts.

Mr. Charlie Angus: It was a Conservative premier who shut down the last oil project that could have gotten off the ground, because of the opposition. If the federal government had tried to do that and the province was against it, there is a provincial veto. That's something my Conservative colleagues don't want to talk about—the power of the provincial veto. They shut down oil and gas exploration. There is no oil and gas exploration.

However, there is now a potential to create a new clean energy market. My Conservative colleagues want to shut that down because they want to have a federal veto for the Conservative leader over the people of Nova Scotia. That wouldn't be in keeping with the accord, as it stands—

Mrs. Shannon Stubbs: I have a point of order, Mr. Chair.

It isn't actually a point of order. I'll just admit that right off the—

The Chair: Okay. Then you shouldn't be using it as a point of order.

Mrs. Shannon Stubbs: I have to say that MP Angus is just making things up now.

The Chair: You're correct, Mrs. Stubbs. That is not a point of order.

We should not be using points of order for debate opportunities or to cut other members off as they're speaking.

Mr. Angus, I will come back to you.

Mr. Charlie Angus: That is the sound of a glass jaw cracking I just heard.

We are dealing with this false claim that—

Mr. Jeremy Patzer: I have a point of order, Mr. Chair.

The Chair: Mr. Angus, I'll ask you to hold for a second.

We have a point of order from Mr. Patzer.

Mr. Jeremy Patzer: I don't know why he has to default to violent imagery here. As the chair, you know we're not supposed to say things that are going to incite the committee or elevate tensions. He is deliberately using inflammatory language.

I would ask you to be judicious in making sure members don't do that. Maybe he forgot what happened the last time he tried to do that. I would encourage you, Mr. Chair, to rein that in before he gets going too far down a path he does not want to head down and—while he's at it—to tell the truth.

• (1715)

The Chair: Colleagues, once again, there was nothing unparliamentary stated by the member, but I would ask all members, as a reminder for everybody on the committee, to use language that's appropriate and to focus on the study and questions on hand.

Thank you, Mr. Angus. The floor is yours.

Mr. Charlie Angus: Absolutely.

I want to apologize deeply to my Conservative colleagues for talking about facts, because I know that winds them up.

I want to go back to what we were talking about. Ms. Tobin, you mentioned the veto power the province has. The Conservative

provincial government shut down an oil and gas proposal. If the feds had tried to push it through, the province has the veto power, or if the feds had tried to stop it, the province has the veto.

Is that correct? Is that how the accord works?

Ms. Annette Tobin: Yes, more or less.

Mr. Charlie Angus: It's going to be very helpful for my Conservative colleagues, because they really don't want to have this come out. They think Justin Trudeau brought up this bill and all the oil and gas companies ran away. They're very opposed to the fact that this legislation will allow the province to make decisions about offshore wind without a veto from the Conservatives to stop this proposal.

Mrs. Shannon Stubbs: I have a point of order.

On Monday, and repeatedly, I said that the Conservatives support the inclusion of provincial ministers in Bill C-49. We have said that repeatedly. That remains our position.

Again, MP Angus should start telling the truth.

The Chair: Colleagues, once again, procedurally that is not a point of order.

There will be an opportunity for the member, when they speak, to clear the record and answer the questions as to the members here—

Mrs. Shannon Stubbs: Maybe a point of order could be, Chair, that you ask my colleague to apologize to me for invoking an image of my jaw breaking.

The Chair: I would ask the member, once again, to use points of order that are procedurally relevant.

I would ask my colleague to proceed and focus the questions on Bill C-49 and the work and study of it.

Mr. Charlie Angus: I'm trying to work my way through the dark labyrinth where the Conservatives have gone on this, because they said they were going to oppose the legislation. If they're opposing the legislation, they're going to oppose the right of Nova Scotia and Newfoundland and Labrador to create an offshore industry.

They have said they're going to oppose this, yet we have a veto power for the provinces under the accord. Is that correct?

If we update this and there are problems with offshore wind, which I know my Conservative colleagues... Who knows what will set them off on that. If the province doesn't like it, they'll have the veto on that as well.

Ms. Annette Tobin: Yes. Under the accord acts, there are certain decisions that the offshore boards can make that require ratification by ministers. In the instance where there is a disagreement, the province has the veto if we are in times of security of supply. That was the “more or less” that I was referring to.

Mr. Charlie Angus: Okay, that's what I'm trying to get to in terms of facts. The province has a veto, and they really don't want them to have that veto. They want Pierre Poilievre to have the veto over the legislation.

Mrs. Shannon Stubbs: On a point of order, Chair, that's untrue. We have said that we absolutely support the inclusion of provincial ministers.

The Chair: Thank you, Mrs. Stubbs—

Mrs. Shannon Stubbs: As I said in my opening comments on Monday, Conservatives recognize that this is why the—

The Chair: Mrs. Stubbs, I'll ask you to turn off your mic. This is not a point of order.

Mrs. Shannon Stubbs: —provincial governments of Newfoundland and Nova Scotia support Bill C-49. It's because of their inclusion—

The Chair: Mrs. Stubbs—

Mrs. Shannon Stubbs: We support the Liberals' inclusion of the provincial ministers' jurisdiction in Bill C-49.

Ms. Yvonne Jones: Please, have respect for the rest of us on the committee.

The Chair: I will ask all colleagues to respect the rules of this committee—

Mrs. Shannon Stubbs: Perhaps you could just let me finish my point.

The Chair: If you make a point of order, when you're recognized, you can proceed with your point of order—

Mr. Pat Kelly (Calgary Rocky Ridge, CPC): I have a point of order.

The Chair: Procedurally, we do not use points of order for debate.

Mr. Kelly, you have a point of order. Go ahead.

Mr. Pat Kelly: It is a standing order that members may not mislead a committee. They can't mislead Parliament. This is a creature of Parliament and you can't mislead it.

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

Mr. Pat Kelly: Mrs. Stubbs' point of order was under the rubric of misleading committee. It is her point that this member, Charlie Angus, has misled the committee. That is a point of order. You can rule one way or another, but it is a point of order.

The Chair: Mr. Kelly, thank you for that. That was not stated at the time—

Mr. Jeremy Patzer: Yes, it was.

The Chair: Mr. Angus has a point of order.

Mr. Angus, go head.

Mr. Charlie Angus: I'm looking at the blues, where the Conservatives said they were going to oppose the legislation. If they

change their minds in this meeting, I am more than willing to withdraw and work with them, but they are on the record that they're going to oppose this legislation, so I said that. That's a fact.

Facts hurt sometimes, my Conservative colleagues.

The Chair: Okay, colleagues, once again, before we engage—

• (1720)

Mrs. Shannon Stubbs: Well, now you're talking about a different issue.

The Chair: —in a number of points of order and everybody starts turning on their mics.... We've had this conversation before, a number of times over several months, about numerous members turning on their mics at the same time and speaking into the mics. Our interpreters, unfortunately, cannot interpret when we have five mics on. Everybody is aware of that, but we continue to do it.

Please, so our interpreters can do their jobs, let's not turn on our mics and all make comments into the mics.

Colleagues, you'll get an opportunity to speak in your time. If there's something on the record you'd like to clarify or ask questions of our witnesses about, you can do so at that time.

We've gone through all the points of order.

Do you have a point of order, Mr. Kelly?

Mr. Pat Kelly: It's not a new one. It's on the point of order that was just raised.

The Chair: Okay, I'll recognize you on the point of order that was just raised.

Go ahead.

Mr. Pat Kelly: The member had in fact made a whole series of statements in addition to the one he offered as a clarification. He went to motive. He spoke of the motive of Mrs. Stubbs, which he is in no position to do. These statements were incorrect.

I merely point out that Mrs. Stubbs had objected to the member misleading the committee by making up his own facts as to motive with respect to the Conservative position.

The Chair: Thank you, Mr. Kelly, for your point of order.

We'll now proceed.

Colleagues, we have nine minutes left. I've recognized everybody. For the remaining nine or 10 minutes that we have, if colleagues agree, I'm going to allow two and a half minutes for each party. It's a quick round. We'll have two and a half minutes each, starting with the Conservatives, then the Liberals, and then we can proceed to the other members.

If everybody's fine with that, then we'll end the meeting right on time, plus or minus a minute.

Are we good? I see no objections.

We now go to Mr. Small for two and a half minutes.

Ms. Yvonne Jones: Sorry, I have a point of order, Mr. Chair.

The Chair: Okay, go ahead, Ms. Jones, on a point of order.

Ms. Yvonne Jones: Thank you.

Because my colleague Mr. Kelly raised the issue, I think it's important that I reiterate as well several things that were said in this committee that were non-factual or incorrect. I think he referred to them as made-up facts and misleading facts.

I'd like to recognize that on Monday in committee, the member for Coast of Bays—Central—Notre Dame stated that CAPP was not supportive of Bill C-49. We now know that was not accurate. CAPP did outline concerns that they had in a letter. They have not stated that they are not supportive of the legislation.

Second, Mr. Chair, it was stated that the premiers were “hoodwinked” and wool was pulled “over their eyes”. We now know that was an incorrect statement. Neither Premier Furey nor the Premier of Nova Scotia was hoodwinked in any way.

It was also insinuated that the FFAW was never consulted. While today he used Katie Power's name in committee, I just read the article and yes, there are concerns that have been outlined by Katie Power of the FFAW. It's the first time that I was aware of it, but certainly she did state in the article that she was consulted. She had attended several meetings, both virtually and in person.

If we want to get facts straight at this table—

Mr. Clifford Small: I have a point of order, Mr. Chair.

Ms. Yvonne Jones: —I say to Mr. Kelly that those insinuations have to stop—

The Chair: Ms. Jones.

Ms. Yvonne Jones: —and they are applied to all members.

Mr. Clifford Small: I have a point of order, Mr. Chair.

The Chair: I'm going to recognize you in a moment, Mr. Small.

I don't think we're going to get to start this round and finish.

Ms. Jones, thank you for your point of order. It's not a procedural issue on your point of order, so thank you for that.

Colleagues, I'll encourage you, again, not to use a point of order for debate, but to have procedural relevance under a point of order.

I'm going to go to the point of order over here. Then, I'll go to you, Mr. Angus, on a point of order.

Mr. Small, go ahead on the point of order, with relevance procedurally, please.

Mr. Clifford Small: Yes, absolutely, Mr. Chair.

I'm not going to rip apart all the careless handling of the truth that Ms. Jones just displayed there, but in terms of Katie Power and the FFAW, what I said was that they weren't consulted in the creating of this bill. They were consulted afterwards.

Thank you, Mr. Chair.

• (1725)

The Chair: Thank you for your point of order.

Once again, you have lots of time to clarify the record when it's your opportunity to ask questions and provide clarification. Once again, it's for procedural relevance when we use a point of order, not for debate.

Mr. Angus, go ahead on a point of order.

Mr. Charlie Angus: Thank you.

I may be willing to withdraw everything I just said, because I was trying to deal with facts, and I realize that really set people off.

I wanted a clarification from Monday. This is maybe why I ended up scratching my head about the Conservatives opposing jobs in Newfoundland and Labrador. It was Mr. Small, and I'll quote him. He said, “We oppose this legislation. When we voted for it, obviously we opposed it.” In my 20 years in Parliament, I didn't know that when you voted for something it meant you opposed something, so if my colleague is opposing it, you vote against it, but since he said he was voting for it, which obviously meant he opposed it, I got confused. I did hear them say again and again that they oppose this legislation, which would oppose the right of Newfoundland and Labrador and Nova Scotia, where they have a veto over these projects, to actually exercise that veto.

If he votes for it and he opposes it, could he just clarify where the heck they are going on this thing? I feel like I'm getting tossed at sea.

The Chair: Mr. Angus, thank you for your point of order, but once again we need procedural relevance on your point of order.

We're not going to use points of order for debate. Other members are not going to use a point of order to respond. You have an opportunity when—

Mrs. Shannon Stubbs: I have a point of order, Mr. Chair.

The Chair: Hold on. When I'm done, I'll go to you on a point of order.

You have an opportunity if you want to engage in debate with each other at the House of Commons, or you have an opportunity to ask questions and get answers from our witnesses, who've taken time out of their schedules to come here to do so.

Now, we go Mrs. Stubbs on a point of order.

Mrs. Shannon Stubbs: You just said that there wouldn't be responses, but since you did allow Mr. Angus to make his point—

The Chair: I just want to make sure that we have procedural relevance. If you can state what it is, you can continue.

Mrs. Shannon Stubbs: You acknowledged his point of order, and you let him make his speech, so I'm assuming you're going to apply your approach equally to me. In response to his point of order, I will just clarify, because I know he's wondering.

Conservatives opposed Bill C-49 because it will end Atlantic offshore petroleum development, which the private sector already showed by putting in zero bids after this legislation was introduced, which clearly gave them the signal. You can see that because, the year before, there were five bids worth hundreds of millions of dollars. We also opposed Bill C-49 because it will introduce uncertainty and lack of clarity. It is based on the unconstitutional Bill C-69, which will open it up to challenges and hinder the development of offshore renewable technology, too.

That, to be clear, is why Conservatives oppose Bill C-69. We will accelerate traditional oil and gas for the—

The Chair: Mrs. Stubbs, I'll ask you to hold right there.

Mrs. Shannon Stubbs: I'm going to complete it right now so we don't talk over each other.

The Chair: I want you to hold because we have another point of order—

Mrs. Shannon Stubbs: Conservatives will accelerate traditional oil and gas development and green-light green projects.

Thanks, Mr. Chair.

The Chair: Thank you.

Go ahead, Ms. Dabrusin, on a point of order.

Once again, before you begin, I want colleagues to use procedural relevance.

You've raised a point of order, Ms. Dabrusin. Go ahead.

Ms. Julie Dabrusin (Toronto—Danforth, Lib.): I have two things. I would like to clarify that when the chair is speaking, we're not supposed to speak over the chair. I believe that's established as a practice and a rule.

Additionally, we have officials here. I'm just wondering if we can go to our last two minutes. I'm just looking at my phone and see that we have two minutes left. Can we take those two minutes to get some questions and answers?

The Chair: Thank you, Ms. Dabrusin.

Colleagues, I will remind everybody that, as Ms. Dabrusin has said, when the chair is speaking, we don't interrupt and speak. Let one person speak at a time as you're recognized by the chair.

I do want to take an opportunity to thank the officials for coming today. We are at the end of our time. We won't get the additional round in that I was hoping to do, but thank you so much for your testimony, for answering questions and for taking the time out of your busy schedules to join us and inform the work we've done on Bill C-49. Have a great day.

Is it the will of the committee to adjourn the meeting?

Some hon. members: Agreed.

The Chair: The meeting is adjourned.

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