



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

44th PARLIAMENT, 1st SESSION

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# Standing Committee on Natural Resources

EVIDENCE

**NUMBER 064**

Tuesday, May 16, 2023

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Chair: Mr. John Aldag





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• (1555)

[English]

**The Chair (Mr. John Aldag (Cloverdale—Langley City, Lib.)):** Welcome to meeting number 64 of the House of Commons Standing Committee on Natural Resources.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** I have a point of order.

**The Chair:** Pursuant to Standing Order 81(4), the committee is meeting to discuss the main estimates 2023.

Before we start, I will go to Mr. Angus, who has his hand up for a point of order.

**Mr. Charlie Angus:** I've been listening to the minister attempting to get his sound working. I understand. We often have problems with sound, but when we have a meeting now, we in the opposition expect that the minister will attend in person.

This is not during COVID. This is, to me, highly irregular. If we have any sound problems with him and we can't continue with him, then this whole meeting is put in jeopardy. I think it's just really questionable that the minister did not come here in person to be able to brief us.

**The Chair:** Thank you for your point of order.

We extended the invitation to the minister. He was available virtually, which is still allowed by the House. This was the date he was available, so that we could get through mains and then report them back to the House.

We'll see. We'll do the best we can.

**Mr. Greg McLean (Calgary Centre, CPC):** On a point of order, Mr. Chair, I thought the House had suspended that for ministers and that they had to appear in person at these hearings.

**The Chair:** No. That's not the information we've been given. We encourage the ministers to attend, but right now the minister is not in Ottawa. This is how we were able to plug him in and that is how the committees are operating at this time.

Continuing with this, we'll have our witnesses. We'll have the minister for the first hour. Because we have a late start, I believe the minister has one hour. Then we'll go into a second round with officials.

I'll check with the committee members now if we want to go beyond 5:30. If we're going to end at 5:30, we need a few minutes at the end to do the actual process for reporting the mains back. We'll probably stop testimony then at about a quarter past five, if that

works. I do have an item at the end related to our travel submission for our fall travel that I'd like to also deal with because the deadline is Friday and we're not sitting on Friday.

That will be the order for the afternoon.

Now, I think everybody has been around the block enough times. We know the rules about addressing questions through the chair. For those online, use the "raise hand" function. You have to mute yourself and you can use the translation features.

To get the show on the road, Minister, we'll go to you for your five-minute opening statement. I'll signal you when the five minutes are up and then we'll get right into our rounds of questions.

Before we get into that, I'll welcome Mr. Doherty, Mr. McLean and Ms. Sidhu to our natural resources committee today.

Mr. Minister.

• (1600)

**Hon. Jonathan Wilkinson (Minister of Natural Resources):** Thank you, Mr. Chair. Hello, everyone. Thank you for the opportunity to discuss the significant investments we are making within NRCan's main estimates.

I'd like to acknowledge that I am joining you today from the traditional, ancestral and unceded territories of the Squamish, the Musqueam and the Tsleil-Waututh nations.

I look forward to speaking with you about how these estimates are supporting our efforts to build a prosperous and competitive low-carbon economy.

Before I do so, I want to just say that my thoughts are with all of the families and communities affected by the wildfires in Alberta and across western Canada. We are, of course, following the situation extremely closely and, as a government, we will continue to provide federal assistance wherever and however best we can.

[*Translation*]

Right now, global financial markets are demanding and rewarding low-carbon products. This is because, in recent years, governments like this one have been taking serious climate action to steer markets in that direction. And because, I believe, more and more people are acutely aware of the scientific reality and existential threat of climate change.

This is presenting a generational economic opportunity for those who act boldly to build the economy of tomorrow. We're fortunate that Canada is well placed to seize this opportunity.

[*English*]

In Canada, there is a choice. We can double down on this trajectory, making a plan for the future that grows the economy and protects the planet for future generations, or we can bury our head in the sand, hoping for the best and letting the world pass us by. This government chooses the former, and we choose to play to Canada's strengths.

Canada's natural resources give us significant advantages in being able to provide the world with clean energy, while creating good jobs here at home. We have a highly trained workforce and are increasing the diversity and strength of our natural resource sectors.

Our economy supports innovation, and our government is promoting the inclusion of indigenous knowledge and expertise, as well as economic participation.

We have an abundance of critical minerals and hydrogen, which the world will be increasingly demanding, as Canada and the rest of the world develop more and more in the way of clean energy and clean technologies.

We offer an outstanding level of stability to investors and allies. Our banking, regulatory, political and legal systems are stable. We have trade agreements with many of the major economies in the world. We develop and meet high environmental, social and governance standards.

The proposed investments that you see here are the next steps in the agenda. They are focused on growing clean energy and clean technologies, which this government has been working on for years.

Having access to clean, affordable and reliable electricity is imperative when it comes to achieving our legislated target of making Canada net zero by 2050. That is why Canada is committed to having a net-zero grid by 2035.

To that end, you'll see there are two main items in these estimates that support the modernization of our electrical grid, namely, the smart renewables and electrification pathways program, as well as the electricity predevelopment program.

To many other countries, our grid is already enviably clean, but we are determined to do even more to protect our environment, while providing affordable, reliable and clean power to all Canadians. Building out the grid and increasing its percentage of clean energy, as well as transitioning to electric vehicles, will allow

Canada's municipalities to reduce emissions from vehicles, waste and buildings.

[*Translation*]

Investments to reduce buildings' emissions appear again in the estimates through the complementary measures to the 2030 Emissions Reduction Plan; our goals are clean air and a strong economy. These investments will help us continue to lower the emissions from homes, schools, hospitals, office buildings and industrial buildings, which is key to getting to net-zero by 2050.

[*English*]

Home energy evaluations and funding from the Canada greener homes grant for energy-efficient retrofits are also in the estimates, as are investments to recruit, train and mentor energy advisers to carry out the evaluations.

[*Translation*]

Continued support in this area will allow us to carry on our efforts to make our homes more resistant to the effects of climate change. And as global inflation continues to affect hard-working Canadians, these renovations will make their home heating bills more predictable and affordable.

[*English*]

I would also like to touch on our two-billion trees program in the estimates, which achieved 97% of its first-year target in terms of planting, and through which, in just the past six months, we have signed seven agreements in principle with seven provinces and territories. Six of those have signed specific planting commitments underneath the agreements in principle, and we're working with others to expand that collaboration.

We have negotiated multi-year agreements that will see 260 million more seedlings planted across Canada over the program's lifespan, and that's just the beginning. We'll soon be able to provide the total planting numbers for the second year of the program. We have surpassed our federal and urban land planting goals. We are confident we will reach the two-billion target in the next decade, with the provinces, territories, non-profit organizations, businesses, and indigenous governments and organizations.

As you can see, the investments we're proposing in the main estimates have a common goal, no matter the topic: greener homes, energy innovation, critical minerals, zero-emission vehicles, forestry or building out the grid. By making these strategic investments, we are supporting the capacity of Canadians to create new opportunities in the low-carbon economy. We are supporting indigenous participation in the natural resources sector and supporting indigenous leadership in a prosperous net-zero future. We're enabling a clean, reliable, secure and affordable supply of energy for everyone.

I certainly look forward to our conversation and to our questions and answers today.

With that, Mr. Chair, I'm happy to hand it back to you.

• (1605)

**The Chair:** Thank you, Minister.

Before we go into our rounds of questions, I want to quickly welcome our officials.

In the room with us, we have Mollie Johnson, associate deputy minister; Shirley Carruthers, chief financial officer and assistant deputy minister, corporate management and services sector; and Jeff Labonté, assistant deputy minister, lands and minerals sector.

You have all been here before, so welcome back.

Joining us online are Angie Bruce, assistant deputy minister, Nòkwewashk; Drew Leyburne, assistant deputy minister, energy efficiency and technology sector; Monique Frison, director general, trade, economics and industry branch; Erin O'Brien, assistant deputy minister, fuels sector; Christina Paradiso, director general; and Anne Routhier, director general and head of performance measurement.

Thank you all for joining us.

With that, we will go right into the first round of questions.

Mrs. Stubbs, you have six minutes.

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

Thank you, Minister, for your comments about the wildfires in Alberta and your government's action in that regard.

I had a quick question for you about Line 5. Today, Canada's Washington embassy expressed a concern about that potentially being shut down on Thursday. That would threaten, of course, 6,000 jobs in Sarnia, the fuel supply for Quebec and Ontario, and undermine North American energy security, which is more important now than ever. Of course, there are also the billions of dollars in government revenue that support government spending.

I would note that it took over two years until this government seemed to finally listen to Conservatives and invoke the 1977 pipelines treaty for this critical energy corridor, which the Prime Minister did say was non-negotiable.

I don't know if you could give us some insight into this, but if that's the case, why didn't the Prime Minister raise it directly with U.S. President Joe Biden when he was here in March?

**Hon. Jonathan Wilkinson:** Thank you for the question.

One thing I would say off the top is that I don't think there's much disagreement between the Conservative Party and the Liberal Party on the importance of Line 5 in terms of ensuring that it continues in operation and the need for us to be working collaboratively and pressuring the United States to ensure that it is doing what it needs to do. As you said, we did invoke the treaty. That was an important step. We worked very closely with the company, including up to the issuance of the statement last night.

We will continue to work very closely with the company to ensure that this critical piece of infrastructure remains open. I will tell you that I have raised it at every opportunity with Secretary Granholm who is the Secretary of Energy. I know the Prime Minister has raised it on a number of occasions with the President.

**Mrs. Shannon Stubbs:** Thank you, Minister.

It does, of course, stand in stark contrast to the total lack of legal intervention and support of the proponent in the case of the Keystone XL pipeline. I guess, on Line 5, we are all going to have to wait for that court decision, when obviously the President's direct intervention on request of the Prime Minister would have been helpful.

Given your comments and your concerns, which I share, about the world passing Canada by and your comments about your goals and aggressive targets for electrification, I want to also ask you about critical minerals.

The Prime Minister is in South Korea now, where 80% of their critical minerals are supplied by China. Then he'll be in Japan, which also asked Canada both for critical minerals and for LNG.

He says he'll be talking about the supply chain integration to replace dependence on Beijing's critical minerals. Of course, in these estimates, you have \$5 billion "in support of critical minerals", but, in fact, fewer than half of the mining applications since 2015 have actually made it through the duplicate of an uncertain process your government has created. Mines do take up to 25 years to produce in Canada.

The James Bay lithium project, which is the most recently approved one, took six years, was just approved this year with 271 conditions and won't produce lithium until 2024.

The truth is that the only mine in Canada that has produced lithium since 2019 does it only as a by-product of tantalum. It is 100% owned and operated by a Beijing state-owned company that ships all of it overseas.

Minister, lithium is on the top of your critical minerals list, but there's actually no Canadian ownership of producing Canadian lithium mines right now, which is a major critical mineral for EV batteries. Another one that's critical, phosphate, isn't even on your critical minerals list.

Right now, the truth is that Canada produces zero rare earth metals needed for EV batteries and for wind and solar production, yet in the last six months, your government has put in over \$1.4 billion tax dollars to fix the permitting process that you broke, which seems to pay for round tables and meetings, but obviously no actual outcomes that make a difference for Canada or for the world.

Can you answer two very simple and direct questions for all Canadians here? On what date will you actually implement the streamlined and accelerated process that will fix the mess you made, and that your own government does claim to want?

Secondly, on what date will Canada actually produce and export all of the critical minerals on your list for Canadian self-sufficiency and to stop our allies' dependence on hostile regimes?

• (1610)

**Hon. Jonathan Wilkinson:** Thank you for the questions.

Certainly critical minerals are an enormous opportunity. As you said, the Prime Minister is speaking to people in South Korea. I was just at the G7 in Japan and certainly had many conversations with my counterparts—not just in Japan, but in Germany, France, the United Kingdom and elsewhere—all of whom are very interested in Canada's critical minerals.

We do need to ensure that we are making the assessment process and the permitting processes, at both the federal and provincial levels, more efficient without cutting corners from an environmental perspective [*Inaudible—Editor*]

**Mrs. Shannon Stubbs:** Yes, agreed.

So, on what date will that streamlined and accelerated process, maintaining those standards, be implemented?

**Hon. Jonathan Wilkinson:** In the budget, what we said is that we would be coming forward with a plan on that before the end of the year, but there's already enormous work going on.

With respect to producing and exporting, there actually is a mine that is just in the process of opening up, a lithium mine in Quebec that will be producing, and it will be doing so later this year.

There is actually a rare earth mine in Canada. It's in the Northwest Territories. It is processed in Saskatoon.

We have a long way to go in terms of building capacity, but we actually do produce the top six that are on the critical minerals list.

**The Chair:** With that, we are out of the six minutes.

We will now move to our next member, Ms. Lapointe.

You have six minutes.

Before you start, I'd like to remind members to only have one person speaking. When you ask a question, just like in the House, we'll give the minister time to respond. Only having one person on

the microphone makes it a lot easier for the interpreters to do their jobs. Thank you.

Ms. Lapointe, you have six minutes.

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

Thank you, Minister, for joining us at our committee today.

What are you doing to improve Canada's regulatory and permitting processes to get good mining projects built right here at home?

**Hon. Jonathan Wilkinson:** That is an excellent question. It's an important question.

I should note that, under this government in 2021, Canada exported record levels of metals and minerals, and it's now about one-fifth of our total merchandise exports.

Certainly, we are doing an enormous amount of work to ensure that we actually are making as efficient as possible Canada's regulatory and permitting processes. We have an internal process, involving a number of different departments, that is working on different ways in which we can actually make this work more efficiently. We announced over \$1 billion in the fall economic statement for the Canada Energy Regulator, the Canadian Nuclear Safety Commission and a number of other departments to increase the capacity so that we are able to actually process the number of applications coming before us.

There was another \$1.3 billion in budget 2023 for several federal departments so that they can continue to improve the efficiency of assessments for major projects. We confirmed to the board of directors of the CER in February that they are to identify key priorities as they deliver on their mandate, including working towards more efficient regulatory regimes. We're also working with provinces and territories, which each have their own regulatory and permitting processes, to align those better with the federal process. I think you will see the initial product of some of that work later this or next week when we actually provide an update on the British Columbia regional table.

We've approved, now, four mining sector projects since January: the Marathon Palladium mine, the Valentine gold project, the James Bay lithium mine project and the Lynn Lake gold project. Certainly, this is a big, big effort, and it is an important effort. However, again, it cannot be done by cutting corners from an environmental perspective or by not discharging our obligation to indigenous peoples, which is what the Harper government did and thereby really, really gummed up the process.

• (1615)

[*Translation*]

**Ms. Viviane Lapointe:** How will the government ensure that the critical minerals industry will be developed in a sustainable and environmentally responsible manner?

**Hon. Jonathan Wilkinson:** We have strong tools, such as the Impact Assessment Act, to restore the confidence of Canadians that environmental issues will be dealt with in a way that allows a good project to go forward.

Canada is already a safe and sustainable supplier of critical minerals. That's why we're seeing significant investment across our critical minerals supply chain, from Volkswagen, which is building a multi-generation electric vehicle battery plant, to the United States, which sees Canada as a reliable partner to strengthen North American leadership in clean technology. These companies are investing here because Canada is committed to extracting and sourcing critical minerals the right way, working with indigenous and local communities and protecting nature.

We apply rigorous environmental-society-governance standards with a strong human rights record, as well as a Canadian Critical Minerals Strategy that is consistent with Canada's ambitious nature protection goals. In fact, Canada played an important role in launching the Sustainable Critical Minerals Alliance, which I announced alongside representatives from Australia, France, Germany, Japan, the United Kingdom and the United States at COP15, the United Nations Conference on Biodiversity in Montreal.

The mines I mentioned in my previous responses all have strong environmental protections that make it clear to others that Canada is a good place to invest, and also a good place to buy.

[*English*]

**Ms. Viviane Lapointe:** My next question has a great significance for Sudbury and also for the other mining communities across northern Ontario.

What role will the government play in supporting the scaling up and the commercialization of critical minerals, processing and batteries?

**Hon. Jonathan Wilkinson:** It's a very important question. There is no energy transition without a significant scale-up in the exploration, extraction, processing, advanced manufacturing and then the recycling of critical minerals.

To this end, we have undertaken a whole range of measures in budget 2023, including the \$1.5 billion critical minerals infrastructure fund to accelerate critical minerals production, \$1.5 billion through the strategic innovation fund to support advanced manufacturing, processing and recycling, and of course the investment tax credit that was in the budget for clean technology manufacturing, which will be applicable to the extraction, processing or recycling of critical minerals. That is an extremely important thing that was very well received by the Mining Association of Canada and others.

It's also about putting some funding into research, development and demonstration. We announced just a month or so ago \$14 million to support six projects under the critical minerals research, de-

velopment and demonstration program, which will advance the commercial readiness of emerging process technologies to support the development of value chains for zero-emission vehicles.

Certainly there will be more coming. Finally, I would say the critical minerals centre of excellence will also support research for processing and battery precursors. It will help proponents engage the federal and provincial processes with respect to moving these projects forward expeditiously.

**Ms. Viviane Lapointe:** Thank you, Minister.

**The Chair:** We're pretty close to our time, so we'll wrap up there and go to Mr. Simard, who will have six minutes.

[*Translation*]

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

Minister, in your presentation, you alluded to the 2 Billion Trees Program, and you said that it had met 97% of its first-year goals. I have a feeling that there are some people who disagree with you, particularly the Commissioner of the Environment and Sustainable Development. He sent us a document in which he said that in his opinion, the achievement of your objectives under the 2 Billion Tree Program is unlikely. He says that in the best-case scenario, after two years, you will have reached 2.3% of your total 2-billion tree target, which is low when you consider that the program is scheduled to run for 10 years. Is there currently a real strategy to plant those 2 billion trees?

• (1620)

**Hon. Jonathan Wilkinson:** Thank you for the question.

Yes, there is a plan. A year ago, we announced our projections for the number of trees we would plant each year. In the first year, we planted almost 100% of our targeted number of trees. For the second year, we will announce the final number in the coming months. We are well on our way—

**Mr. Mario Simard:** Thank you, Minister. I didn't mean to cut you off, but I don't have much time.

I assume you would be able to provide the committee with the work plan that the department has for planting these 2 billion trees. That is primarily my question. I would love to analyze it, and I think other people would too.

On another topic, you know I have a pretty exciting life. So yesterday I had nothing better to do than to read your mandate letter. In it, it says that you must support the Deputy Prime Minister and Minister of Finance and the Minister of Environment and Climate Change, and that you must find a way to end fossil fuel financing before 2023. In addition, you must phase out funding for the fossil fuel sector from federal Crown corporations.

To your knowledge, do you currently have a plan to eliminate funding for the fossil fuel sector? It's 2023, so I'm assuming that's moving forward.

**Hon. Jonathan Wilkinson:** Thank you.

Yes. We continue to work on phasing out inefficient fossil fuel subsidies. We have already eliminated nine, but we will have an implementation plan to show the committee by the end of 2023.

**Mr. Mario Simard:** Do you have a definition of what an inefficient fossil fuel subsidy is? If so, I would love to have it.

**Hon. Jonathan Wilkinson:** Yes, that will come with the plan.

**Mr. Mario Simard:** All right. So we'll have it later.

There is another passage from your mandate letter that interested me:

Work with the minister of Intergovernmental Affairs, Infrastructure and Communities [...] to support and prioritize the use of made-in-Canada low-carbon products in Canadian infrastructure projects.

I was interested when I was reading this yesterday, because here we have been looking at Bill S-222, regarding wood utilization, which we have been trying to amend without success. In this bill, it says that the government can use wood. But I think that currently the government can already use wood. So it's a bill that doesn't mean anything, ultimately.

Is there a real plan for the government to have measures in place so that someday low carbon footprint materials will be used in government construction?

**Hon. Jonathan Wilkinson:** Yes. We are currently working on a strategy that promotes the purchase of clean products, which emphasizes the use of lower carbon footprint materials. So we'll have something to discuss with you and all other Canadians in the coming months.

**Mr. Mario Simard:** If I understand correctly, this is something that is in development. You can't tell me, currently, what it looks like.

**Hon. Jonathan Wilkinson:** Yes. We started with cement, but there are other products, of course. We're working on a plan right now that we can share with all the departments and that will also affect all the infrastructure that we invest in with the provinces and territories.

• (1625)

**Mr. Mario Simard:** You saw the announcement about the \$13 billion investment in the Volkswagen plant in Ontario, as I did. I'm sure you were quite pleased. At the same time, the government announced in the budget that it wants to embark on a vast electrification project. Now, what I've read about the Volkswagen facility that's going to be built in Ontario is that it's going to be gas-fired.

So it seems to me that there is a contradiction between your desire to develop an industrial sector that relies on clean energy and your \$13-billion investment in a Volkswagen battery plant in Ontario that will be powered entirely by gas. Is that not a contradiction?

[English]

**The Chair:** Please make your response brief. We're almost out of time.

[Translation]

**Hon. Jonathan Wilkinson:** We are very proud of the Volkswagen announcement. Batteries are very important to the future of Ontario and Quebec. Of course we need to have a clean electricity system, and we're going to make sure we have one by 2035.

[English]

**The Chair:** Thank you.

Mr. Angus, it's over to you for six minutes.

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

Thank you, Minister, for being here.

We have a once-in-a-century opportunity, but we have a narrow window to make this happen, because if we get it wrong, it means we're going to leave workers and communities behind. When I'm talking with workers, particularly energy workers, they're saying to me that they're more than ready to step up, but they want more than promises. They've been asking for a couple of clear things and they're not sure they're getting it. They want an independent body and they want it to have a mandate. They want the legislation to ensure that they are at the table.

In the fall budget, the government talked about a sustainable jobs secretariat. Is that where workers are going to be at the table?

**Hon. Jonathan Wilkinson:** As you know, Mr. Angus, we released the action plan for sustainable jobs a couple of months ago. Part of that was a commitment to bring forward legislation that we are continuing to develop and that will be introduced before the end of the year. It will have architecture. The secretariat will largely be where the federal government actually ensures that its different areas of the department are aligned. There will be a partnership council, which will certainly involve significant representation from labour.

**Mr. Charlie Angus:** Yes, I see that, because we were told we didn't need an independent body to be the sustainable job secretariat. Then I read that it would provide the most up-to-date information on federal programs, funding and services across government departments, which sounds to me like an office desk that puts out brochures. Then I read that the sustainable job secretariat would be a sustainable job stream under union training. Is that where they're going to be? Is the secretariat going to be training workers there?

Those are two very contradictory positions. Where is the table that labour gets to sit at and say, "We have a say in the future of our communities and in the future of our jobs?" What is the mandate?

**Hon. Jonathan Wilkinson:** That will be the partnership council.

**Mr. Charlie Angus:** Now we have the partnership council.

I've been talking with the building trades—IBEW and Unifor in western Canada. Those are guys and women who, when management comes to them and says, “Trust us”, they're saying, “Yeah, sure. You want us to trust you. Put it in writing.”

Will the sustainable jobs partnership council have legislation? What kind of mandate will it have? What kind of role will workers have in that partnership council?

**Hon. Jonathan Wilkinson:** Certainly a lot of that was actually outlined in the sustainable jobs action plan, and the rest of it will be outlined in the legislation that will be forthcoming. It certainly will have a broad ambit. It will be able to provide significant input in terms of the shape of needed programming and strategic orientation going forward.

**Mr. Charlie Angus:** Will the mandate and what rights they have to be heard be legislated? How many seats will labour have? You must have thought this out. Who's going to be at that council? Will it meet once a year? Will they get to write in submissions, or is will this be a council that actually has the power to say that labour's voice, which represents the communities that are moving to a new economy, is going to have a say to make sure that money's spent well?

• (1630)

**Hon. Jonathan Wilkinson:** Yes, the focus very much is on the economic opportunities—ensuring that we seize them, ensuring that we are creating good jobs for workers and for the communities they live in. That is certainly something that will be discussed in the legislation. It's certainly something that you and I have discussed on a number of occasions. As we continue to evolve the legislation, we continue to look for input from folks, very much including you.

**Mr. Charlie Angus:** I appreciate that.

What I'm hearing from labour is that they want to see it in writing. They want to see it in the legislation. If it's not in the legislation, it's going to be very hard for me—and much harder for you—to go and reassure them.

There are so many moving parts here. This brings me to the other part, which is the regional round tables.

They talk about union partners in the regional round tables, yet I've never met a union that's been involved in any of the round tables. Who's at those round tables? Does labour get to sit at the table, or do they have to sit in another room and get called on once in awhile?

**Hon. Jonathan Wilkinson:** The regional tables are set up a little bit differently in different provinces and territories. It's not just a federal initiative; it is a federal-provincial initiative.

There are different issues and different ways of structuring things in different provinces. I would say the two provinces that are the most advanced are British Columbia and Newfoundland and Labrador. In fact, we will be making an announcement with respect to where we're at with the British Columbia process very soon. That is a tripartite process. It involves indigenous peoples, it involves the provincial and federal governments, and it also provides space for and engagement with labour and with industry, and there have been early engagements with both of those. There will be much more going forward.

**Mr. Charlie Angus:** I guess what I'm hearing is that getting called to a round table on the side isn't the same as being at the table. If that's not happening in B.C., I don't see it happening anywhere else.

You say this is a federal-provincial partnership, but the feds are driving this agenda, so you get to say, to some degree, if we're going to do this federal-provincial partnership, who's at the table. Is labour at the table? Are first nations at the table? Or are they in another room, and they get called on once in a while for advice?

**Hon. Jonathan Wilkinson:** This is a consensual process with the provinces and territories. It is not just a federal initiative, and it does look different in different parts of the country. In British Columbia where we are working with, as you would know, an NDP government, it's a tripartite process that includes indigenous peoples, but there is significant opportunity for engagement on the part of labour and industry.

**The Chair:** We're out of time on that.

Thank you.

Our next question goes to Mrs. Stubbs for five minutes.

**Mrs. Shannon Stubbs:** Thanks, Chair.

Minister, I wanted to advise you that the project you referred to earlier in Saskatchewan run by Canada's only rare earths mining company was cancelled about three weeks ago. They paused all their work there, so there really is no conclusion other than after eight years and \$3.8 billion, your spending in total on your so-called critical minerals and metals strategy is actually resulting in expensive round table meetings. You're utterly failing to capture the production, the value chains, the supply chains and the exporting of critical minerals that are so important to reach your own stated public policy goals and to reduce global dependence on hostile and despotic regimes.

Moving on to LNG, the truth is, of course, this. After eight years of your government, since 2015, 13 west coast, three east coast and two Quebec LNG export terminals have been proposed. You've approved four, but the only one.... One of those approvals, which is under construction, had already been approved by the former Conservative government.

Zero were built in Canada.

From Pacific NorthWest LNG to Énergie Saguenay, Kitimat LNG and Pieridae Energy, which wants to build one on the east coast.... The proponents of all 15 cancelled or delayed LNG projects under your government in Canada, many of which are now focused instead on other countries, cite delays and long regulatory timelines and say that these decisions are really driven by regulatory issues.

Now, in the same time—in case you try to claim this is a world-wide challenge—the U.S. constructed seven LNG terminals. They've approved 20 more. They're on track to build five more this year.

Germany asked for LNG from Canada, but the Prime Minister said—of course we'll all remember—there is no business case. That is according to him, not the rest of the world. Germany then built an import facility in 194 days, and had to go to Saudi Arabia and cut a deal with Qatar for supply.

Even though Canada is the sixth largest natural gas producer in the world, Mexico is now on track to become the fourth largest LNG exporter in the world, beating Canada with eight proposed terminals. The first one will be ready in August.

The advocates for major global investors in Canada say this is the problem and that the biggest issue they've had has been “the regulatory delay and regulatory hurdles, as well as pipeline construction and opposition to pipelines.”

Your LNG failures cost Canada \$108 billion in government revenue, \$500 billion in new investment and 100,000 good-paying Canadian jobs, while you ceded the global market to Americans and to dictators and hostile regimes with lower environmental and human rights standards. Meanwhile, you failed to provide our allies with the LNG they want and need from Canada.

You have stated, “the private sector should be putting up the money for these projects”—with which Conservatives totally agree, including, by the way, on TMX, which should have been producing five years ago and not cost a single taxpayer cent. However, it's clear your own government's red tape is driving away investment and opportunities for Canada.

On what date will you accelerate approvals for LNG projects, just like the Deputy Prime Minister claims you guys want to do?

On what date will Canada export LNG to our free and democratic allies around the world, and provide liquefied natural gas from one end of the country to the other for Canada's own self-sufficiency and security?

• (1635)

**Hon. Jonathan Wilkinson:** Thank you for the series of statements.

What I would say to start is—

**Mrs. Shannon Stubbs:** They were facts.

**Hon. Jonathan Wilkinson:** —you are just wrong about mining. If you look at the total value of Canadian mineral production in 2021, it has tripled since 2002. It's actually up 20% in 2021 over the year before.

We are seeing enormous growth with respect to the work that's being done critical minerals—

**Mrs. Shannon Stubbs:** It's not true for the critical minerals on your own list.

Can you answer the questions about LNG?

**Hon. Jonathan Wilkinson:** In terms of LNG, I would say that one of the challenges we had in this country was the gutting of

CEAA 2012, or the gutting of the environmental assessment processes by the Harper government, which ruined the ability to achieve social licence because nobody trusted that environmental issues were being addressed.

We have three plants right now that are under development. One is the LNG Canada facility. The second is the Woodfibre facility. The third one is an indigenous-led one, Cedar LNG, which went through the new process in less than three years.

We have made significant progress while ensuring that we are doing this in a manner that is consistent with Canada's climate obligations. I would tell you, with respect to the Repsol project in particular...I would encourage you to call the Repsol folks, because what you've just said is not correct.

**Mrs. Shannon Stubbs:** Minister, your red tape has also killed the only title project in Canada for exactly the same reason. The problem is domestic. It's your own government.

**The Chair:** That's the five minutes. Mrs. Stubbs, your time is up.

We're now moving over to Mr. Chahal for five minutes.

**Mr. George Chahal (Calgary Skyview, Lib.):** Thank you, Chair.

Thank you, Minister, for joining us today.

In June 2020, northeast Calgary was hit with a massive hail storm that resulted in an estimated \$1.3 billion in insurable damages. We know that extreme weather events are driven by climate change and they have the potential to devastate communities. Today, we are seeing another manifestation of climate change with the wildfires in Alberta and a province-wide state of emergency that is forcing thousands to leave their homes.

Minister, can you please tell this committee how the climate change adaptation program will help Canadian cities and communities plan and implement adaptation actions to help reduce the risks of climate change?

**Hon. Jonathan Wilkinson:** Thank you very much for the question.

Firstly, let me just reiterate that my thoughts go out to all of those in Alberta who have been evacuated from their homes or impacted by the wildfires. I would also like to thank the first responders and Canadians from across the country who are coming together to support Albertans in their time of need. As the Prime Minister reiterated yesterday, in Alberta we are here for you and we are going to ensure that you get the support you need, working in collaboration with, of course, your provincial and municipal authorities.

Right now, my department is assisting with monitoring and helping to inform planning and supply of resources, and facilitating fire perimeter mapping. NRCan continues to assess its capabilities to support the potential or direct impact on critical infrastructure.

As you may have noted, and to your question in particular, there are about \$46 million in investments in the main estimates to strengthen capabilities in wildlife management, including bolstering provincial and territorial agency wildland firefighting equipment, and strengthening the role of indigenous participation in fire management through community-based training and the establishment of an indigenous fire stewardship lab.

A number of agreements have already been signed with provinces, including Alberta, with indigenous communities and organizations to begin that training and support the acquisition of new wildfire-fighting equipment.

As it is related to the national adaptation strategy and how it will help communities adapt to the risk of climate change, the strategy is providing up to \$530 million to expand the green municipal fund to support community-based adaptation initiatives. It is enhancing community prevention and mitigation activities, supporting innovation and wildfire knowledge and research, and establishing a centre of excellence for wildland fire innovation and resilience.

Again, I would just say that my thoughts are certainly with those who are impacted by the fires in Alberta. We are here to help.

• (1640)

**Mr. George Chahal:** Thank you for that in-depth answer, Minister.

Minister, people living in my riding are always looking for opportunities to save money in an increasingly expensive world. One of the best ways to do that is to invest in making our homes more energy efficient and resilient.

Minister, can you please tell us about the measures our Liberal government is taking to help Canadians retrofit their homes to be greener and, in the long run, more affordable?

**Hon. Jonathan Wilkinson:** Thanks for the question.

Certainly significantly reducing energy use in our buildings and in our homes not only makes home heating more affordable, it creates good bang for local jobs and it lowers greenhouse gas emissions. That is why we introduced the Canada greener homes grant—so Canadians can take climate action at home and save on energy. Through this program, Canadians are eligible for up to \$5,000 towards the cost of home retrofits like solar panels, better windows or heat pumps.

We also announced the oil to heat pump affordability grant last November as a new stream under the already very popular Canada greener homes initiative. This grant is self-explanatory. It allows homeowners to swap out their oil furnaces for heat pumps. Through this initiative, families across the country are able to save thousands of dollars on their annual heating bills.

**Mr. George Chahal:** Minister, how is the government investing in growing the generation capacity that we need for a clean, reliable and affordable grid of the future?

**Hon. Jonathan Wilkinson:** Building a clean Canadian power grid at the scale and the pace that is necessary is an enormous undertaking. It is a nation-building project that is as great in terms of scale and importance as any that we have undertaken in our history.

We are all very proud that 83% of our grid right now comes from zero-emission sources. We need, though, a much bigger and ultimately 100% clean grid. We need to double or more the electricity generation capacity in this country by 2050.

A clean electricity grid is an enormous economic advantage for Canada as our largest trading partners increasingly look to forge trade relationships that favour low-carbon exports and imports like low-carbon steel and low-carbon aluminum. While it isn't yet clear, I think, to the Conservative Party, the rest of the world knows a clean, reliable and affordable electricity grid is key to building a strong, clean economy. It's necessary to position our country for opportunity in the centuries ahead.

We are focused on doing the work that is necessary to seize this generational opportunity. This is a race that we cannot afford to lose.

In budget 2023, we announced over \$40 billion for the development of a clean grid, including measures like the clean electricity investment tax credit to help provinces and territories build out the grid they need, as well as the CCUS investment tax credit and the clean hydrogen tax credit.

In budget 2023, we also had \$3 billion to recapitalize the fund we used for renewable energy projects and for a new smart grid program. We announced the Canada Infrastructure Bank will invest at least \$10 billion through its clean power priority area.

**The Chair:** Minister, we're out of time there. Thank you. We appreciate it.

We'll go to Monsieur Simard next for his two and a half minutes.

[*Translation*]

**Mr. Mario Simard:** Thank you.

Minister, you just mentioned green aluminum. That takes us to low-carbon footprint products, so I find that very interesting. But one of the most relevant low-carbon industries is forestry. A tree is a carbon sink. A forest is a carbon sink, if you know how to use it well.

Unfortunately, the forestry sector is facing a perfect storm, especially in Quebec, where disproportionate U.S. tariffs are being applied to producers. To give you an order of magnitude, right now, for Resolute Forest Products, we're talking about \$583 million that is in trust in the United States. This is money that the company cannot invest in its facilities. For a company like Arbec in Lac-Saint-Jean, this represents a loss of \$200 million. The federal government, unfortunately, does not have a support program for these companies unless they are technically bankrupt.

If I make the comparison to other natural resource sectors that you have talked about—I am thinking of the clean hydrogen investment tax credit and the support that you are providing to the oil and gas sectors, among others—I am sure you would agree with me that the forestry sector is the poor relation of the natural resource sector.

My question is quite simple: do you have a real strategy to develop the future of the forest sector, which is bioproducts and high-value-added forest sector products?

• (1645)

**Hon. Jonathan Wilkinson:** Thank you for the question.

First of all, I completely agree with you on the tariffs imposed by the United States. It is a challenge and we need to work together with the provinces, the territories and, of course, the Government of Quebec. I was with the Quebec Minister of Natural Resources and Forests last week and we discussed this topic.

Of course, we need to invest in the development of high-value products. In the 2023 budget, we promised to invest almost \$400 billion.

[English]

**The Chair:** Thank you. We're out of time on that.

We'll go to Mr. Angus for his two and a half minutes.

**Mr. Charlie Angus:** Thank you.

Three days ago, Lana Payne, the head of Unifor, called on this government not to gamble with the 2,500 jobs at Stellantis in Windsor. This plant is essential. The Chrysler workers have been the backbone of the Windsor economy. The Stellantis EV plant is key for us to actually have a clean-tech economy, and yet Stellantis is accusing the government of not delivering on the promises that it made on the investments. They've suspended production.

What's it going to take to get the federal government to come back to the table, make sure those jobs are secure, get the production up and running, and not leave workers in Windsor holding the bag?

**Hon. Jonathan Wilkinson:** Just as you are, I am very focused on working to ensure that the Stellantis project moves ahead. Of course, Minister Champagne is the lead minister on that.

But it is not just Stellantis and the federal government. It is also the Province of Ontario. It is important that the Province of Ontario and Premier Ford are participants financially in the work that is being done. It is not solely the responsibility of the federal government. I think the province increasingly understands that. We are working towards resolution of this, but it does need to include participation by Ontario.

**Mr. Charlie Angus:** It's not just the issue down in the auto belt. My region of Timmins—James Bay is base metal country. We need markets to be able to expand to. We have mines coming on stream now.

The leader of the Conservative Party was in my riding recently and was making fun about EV cars. I don't know what's so funny about cars that are going to be using all the products our miners produce.

They want to know, in mining country and in auto country, that this government has their back, that they are going to continue the kinds of investments that we've seen in Volkswagen, that they're not going to blow Stellantis, and that they will make Ontario a centre for EV battery production.

What commitments will this government make to make sure that happens?

**Hon. Jonathan Wilkinson:** First of all, I would agree with you that it's very unfortunate that the leader of the Conservative Party makes fun of electric vehicles. I think it belies the lack of belief in climate change and the lack of any plan from an economic perspective to benefit from the changes that are going to be coming. That's very disappointing.

What I would say is that we are fundamentally committed to ensuring that we are building end-to-end supply chains. That very much includes the processing of those minerals and battery manufacturing and automotive manufacturing. We've made that statement in a number of the announcements that have been made prior to the Volkswagen announcement. We made it again with the Volkswagen announcement, and I think you can anticipate that we will continue to make that a focus.

**The Chair:** Thank you.

We're out of time on this one.

Now, we are going to Mr. McLean, who will have five minutes for his questions.

**Mr. Greg McLean:** Thank you, Mr. Chair.

Thank you. It's great to see you, Minister.

Minister, I'm disappointed that you chose not to be here in person today. I'll tell you that right now.

I have noticed, Minister, that as you've learned this portfolio, your narrative has changed from when you were the Minister of the Environment. I say that with great respect because I think that the learning you've done in this sector has been profound.

I'm going to ask you a question, because I'll follow along with my colleague where she led on the critical minerals strategy. You're a big advocate of critical minerals. Can you tell me what you think the critical minerals will contribute to the Canadian economy as a number in the next five years, per year?

• (1650)

**Hon. Jonathan Wilkinson:** First of all, let me just respond.

I hear you in terms of being here in person. The only thing I would say is that I have appeared before this committee now seven times since I was appointed and, certainly, I endeavour to be there in person as much as I possibly can.

With regard to critical minerals, I've said many times that it is a generational economic opportunity. It's not just the mining. It is about processing, it is about battery manufacturing, it is about electric vehicle manufacturing, it is about recycling, it is about the total value of [*Inaudible—Editor*]

**Mr. Greg McLean:** Minister, I asked a question about the size of the contribution to the Canadian economy.

**Hon. Jonathan Wilkinson:** —and we've seen a 20% increase just over the last year. We expect to see those kinds of increases going forward.

**Mr. Greg McLean:** Minister, can we get a number?

**Hon. Jonathan Wilkinson:** We expect to see significant increases going forward.

**Mr. Greg McLean:** Last year, the mining industry alone put about \$2.5 billion into the Canadian economy. The oil and gas industry put nearly \$50 billion into the Canadian economy as far as investments go.

We are talking about a sector that, right now, is 1/25th the size of the oil and gas industry in Canada as far as this economic investment into Canada is concerned. In addition, \$400 million of that was a gift from the federal government in the form of investment tax credits, which go to rich people. People in the top marginal tax bracket are the ones benefiting from this.

In that respect, we're really talking about—give or take—\$2 billion of private sector activity into the economy. It's \$2 billion versus \$50 billion.

Do you see now why there's a bit of a disconnect in why you think this is going to replace Canada's biggest economic engine?

**Hon. Jonathan Wilkinson:** I don't know where you got the idea that it's going to replace the oil and gas sector. I've never said that and I don't think any reasonable person would say that.

The oil and gas sector is going to continue to be important through the energy transition, and to the extent that the oil and gas sector is working to decarbonize the sector—which most of the participants in it actually agree with—it will continue to be an important part of the Canadian economy.

I'm not putting the mining sector against the oil and gas sector. There are enormous opportunities in the oil and gas sector if you think about hydrogen and hydrogen from gas using carbon capture, about very low carbon oil and the utilization of that in non-combustion applications.

They're both important.

**Mr. Greg McLean:** Yes. Thank you, Minister.

The issue I'm bringing up here is, of course, your insistence upon the critical minerals sector as if it is the only sector that requires sustenance going forward here. You're putting a lot of money into it. You're spending a lot of tax dollars on it. In the end, it is a minor contribution as far as energy in this country goes.

Critical minerals do not produce energy. They store energy and they're used for other high-tech operations, but we need energy in Canada to continue to sustain ourselves as a viable country going forward here where jobs are going to come.

Now your government has committed a lot of money towards these plants for electric vehicles. It's committed a lot of money through the chain along the way, and yet you can see that there's very little coming in the front door for the next 20 years as far as critical minerals go.

In another example, you've got the Ring of Fire in Ontario, which is going to take decades to develop, but you found out as well that will mean unearthing sphagnum, so effectively peat moss, which is going to emit 1.6 billion tonnes in the Ring of Fire alone of CO<sub>2</sub> that's already trapped there.

Do you see the circularity of how you're actually not getting to a climate solution here?

**Hon. Jonathan Wilkinson:** No. First of all, we've dedicated enormous resources to the energy sector as well, through the CCUS tax credit and the hydrogen tax credit, so I think you have to be careful about some of the things you say in terms of where the money is going.

I would also say that, with respect to projects, we are seeing an enormous uptick in the number of projects, and we will see much more coming through the front door. The Ring of Fire is one of the more challenging areas for exactly the reasons you mention, as well as some concerns on the part of a number of indigenous communities.

If you're going to develop the Ring of Fire, you have to do it in a manner that is not going to disturb the peat, because otherwise it doesn't make sense. You are correct about that, but that doesn't mean there are not ways to do it in a manner that addresses the environment and the legitimate concerns of the indigenous communities in the area.

• (1655)

**The Chair:** Thank you.

We're out of time.

Our final questioner for five minutes for the minister will be with Mr. Sorbara. At that point, we'll be bidding adieu to the minister, but we'll keep our officials for 15 minutes, and then we'll get into the final part of the meeting.

Mr. Sorbara, it's over to you for five minutes.

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

Welcome, Minister. I hope Vancouver is as lovely as always.

Last month, Minister, I had the privilege of being part of the historic announcement that Volkswagen will be constructing its first overseas electrical vehicle battery factory in St. Thomas, Ontario.

As chair of the Liberal auto caucus, I very much welcome this transformational partnership and investment, as it will not only strengthen the auto sector but also create literally tens of thousands of well-paying jobs across the country as we work towards a cleaner and greater economy.

Given that Canada has the raw materials and the skilled workforce and that this country believes in Canadians and its workforce, what is our government doing to make sure that we stay on track in delivering this clean technology? This is an investment that can keep up with North American demand for zero-emission vehicles for decades to come.

**Hon. Jonathan Wilkinson:** I know what a strong advocate you are for bringing the auto sector back to life in Canada after the sector dwindled during the Harper era. We are certainly proud of our collective success in bringing it back.

These investments are delivering thousands of good-paying jobs for Canadians while further establishing Canada as a leader in the clean technology race. These companies like Volkswagen are choosing to invest here because of our highly skilled and educated workforce, the access to clean power grids and abundant national resources, including critical minerals.

Your question is at the heart of why we developed a critical mineral strategy. We saw that the global economy would be increasingly dependent on critical minerals and metals for clean technologies. We are working to support increased extraction, processing and recycling of critical minerals, a key to supporting the electric vehicle supply chain through measures that include the clean technology manufacturing investment tax credit, which will support Canadian companies to help with investments in new machinery and equipment.

We will be allowing producers of lithium from brine to issue flow-through shares and to expand the eligibility of the critical minerals exploration tax credit to lithium-from-brine.

Just recently, as you know, we gave approval to two mines, the Marathon palladium project and the James Bay lithium mine project, which will each produce essential critical minerals needed for EV batteries, and each will deliver hundreds of good-paying jobs.

Before giving it back to you, I want to note that the Conservatives have been against these investments in Canadian businesses and Volkswagen's business investments in Canadians. They have no economic plan for a low-carbon future, and it is incredibly disappointing to hear that the Leader of the Opposition laugh when we talk about electric vehicles. They have not done the work necessary to understand what's at stake and what opportunities are in front of us.

**Mr. Francesco Sorbara:** Thank you, Minister, for that answer.

It's great to see that the government is making key investments to our economy to strengthen the middle class.

Minister, this morning I had the pleasure of meeting with Electricity Canada, and later on this evening, in partnership with Electricity Canada, we'll be sponsoring the reception here on the Hill.

We know the electrical grid needs to be secure, clean and affordable for Canadians. We also know that, going forward, we need to increase the baseload of our electrical grid that will need to be there to handle the increased use of electrical vehicles and so forth.

I want to ask a question on the smart renewables and electrification pathways program, which I believe was in the budget. Specifically, how will that help communities and organizations acquire the knowledge and tools needed to develop renewable energy and grid modernization projects as we move forward to a fully clean electrical grid?

**Hon. Jonathan Wilkinson:** Thanks for the question.

I'm glad you noted Electricity Canada. I would just highlight the fact that Electricity Canada has put out a statement saying that budget 2023 was "transformative". It will make electricity clean, but also affordable, which of course is very important.

The smart renewables and electrification pathways program, or what we call SREPP, is already helping communities across this country seize new economic opportunities while creating good jobs for those who live there. In fact, it is often indigenous communities that are leading these projects, like with the Awasis Solar energy farm in Saskatchewan with the Cowessess First Nation. It's supporting Summerside, P.E.I. to produce grid-resilient solar energy, which was vital in keeping the lights on when hurricane Fiona hit.

The program has made significant progress in developing renewables and launching grid modernization projects. In fact, just a few months ago in your own backyard, Minister Freeland announced support for the Oneida battery storage program with the Six Nations of the Grand River. That received \$50 million from SREPP and will become one of the largest battery storage projects in the world. It will more than double the battery storage power that exists in Ontario.

Earlier this month, two proposed wind farms in Nova Scotia were approved through the environmental assessment. These projects were supported by the government with an investment of \$125 million. These projects will supply Nova Scotia with 350 megawatts of clean power.

The SREPP is very important. It also supports capacity building. Certainly many indigenous communities have taken advantage of that. It's a very important program and yes, it was topped up in budget 2023.

• (1700)

**Mr. Francesco Sorbara:** Thank you, Minister.

**The Chair:** That's the end of our time.

Minister, I understand that this is when you need to make your departure, so feel free to sign off. We always appreciate you coming and joining us at the committee. You've been here, as you said, many times. It's always good to hear from you.

We'll ask the officials to stay. We have 15 minutes of questions—five for Mr. Patzer, five for Ms. Dabrusin, two and a half for Mr. Simard, and two and a half for Mr. Angus. Then we'll get into the final part of the meeting.

With that, Mr. Patzer, we'll go over to you for your five minutes.

**Mr. Jeremy Patzer (Cypress Hills—Grasslands, CPC):** Thank you very much, Chair, and thank you very much to the officials for being here.

There's a specific line item in both grants and contributions called “Grants in support of Clean Energy for Rural and Remote Communities”.

I wonder if you could just take a couple of seconds to maybe highlight a couple of projects. What specifically is the government targeting with those line items?

**Ms. Mollie Johnson (Associate Deputy Minister, Department of Natural Resources):** Thank you very much, Mr. Chair.

Those are programs that support rural, remote and indigenous communities in getting off diesel in their communities.

That program has been around for awhile. I'm going to forget the number off the top of my head. We have been successful in setting up clean energy projects that support that commitment of getting off diesel.

**Mr. Jeremy Patzer:** Thank you.

I'm just curious, too, if somebody has a definition for “rural”, quickly? What are you using for that definition? What does “rural” mean to the department when we talk about that?

**Ms. Mollie Johnson:** I'm sure that in our terms and conditions we have a definition of “rural”. I can ask one of my colleagues on the line to jump in or I can follow up with the committee, if that's helpful.

**Mr. Jeremy Patzer:** If there's a person on the line, sure. If somebody can answer that in about 10 seconds, that would be great.

**Ms. Mollie Johnson:** Christina, can I ask you to jump in on that?

**Ms. Christina Paradiso (Director General, Department of Natural Resources):** I'm sorry, I can't answer, but I'm happy to follow up.

**Mr. Jeremy Patzer:** That's good. I will take that. If you could follow up in writing, I would greatly appreciate that.

Thank you very much.

A problem that I have.... This is the main estimates and we had the same issue with the supplementary estimates. Granted, it's the minister and the Prime Minister who set objectives and different things like that here, but there's no funding allocated for the just transition.

I have a letter here—and I've received many of these letters—from people from Willow Bunch, Rockglen, Coronach and people

who are working at the Westmoreland coal power station and the mine there. Their concern is that the region is losing \$30 million in annual payroll with the phase-out.

COVID wiped out two years of government planning. Since COVID, we've had about two years and there's still nothing, so we've lost four years. Timelines aren't moving up.

From your viewpoints and perspectives—I recognize that you work within the department and you're not the ones setting the obvious objectives—as far as being the ones who are delivering a lot of the programs and things like that, why is the just transition not being prioritized when there's a hard and fast timeline and we've lost four years? Why is it not being prioritized?

**Ms. Mollie Johnson:** Thank you for the question, Mr. Chair.

With the letters, the challenges and what you are hearing, I'm very empathetic to the folks in your community.

This is on our radar and it's something we're considering a lot in terms of what the opportunities are. We know that it's not going to be possible to move jobs from one urban centre to a rural centre, but in looking at the opportunities in terms of clean technology, biomass and other projects, we are spending a lot of time considering what can be done and what the opportunities are.

We really do want to work, through the regional tables and through the opportunities we have, in partnership with folks in coal-affected or coal-based communities, so we can support that transformation.

**Mr. Jeremy Patzer:** Okay. Thank you.

When it comes to the Inflation Reduction Act in the United States, obviously the American Treasury has access to a lot of money that, obviously, Canada does not. We cannot beat the Americans when it comes to money, but the one thing that we could do to be competitive with them—and quite frankly, we should aspire to beat them in this—is streamlining regulations to be able to get projects built and accomplished.

I'm just wondering if the department is working to streamline regulations, so that way.... The minister said, we had an approval of under three years on a project. Wow, three years, really? That's fantastic.

If we want to be serious and try to beat the Americans, what is being done, throughout the department, to try to make sure that we have the regulatory certainty, so that we're not celebrating its just being under three years. We should be having projects completed in under three years, not just approved in under three years.

What's being done to make sure that we can get that done and accomplished?

● (1705)

**Ms. Mollie Johnson:** We know that the fastest way for us to achieve our goals with respect to economic prosperity and energy security and the environment, and the fastest way to get things done is by getting projects built and getting them built quickly.

We are focused, as the minister said, on having an approach of working across the federal departments to streamline the regulatory review and permitting process with results that will come out by the end of 2023—and that builds on another investments.

What I would say as well is that it's not just what we do at the federal level. There are the provincial processes. There are permitting processes. There are the partners who we work with, and so we're very focused on not just what we can do within our zone of control, but also how we work with all of those other players to make sure that our systems get things done faster so that we're able to achieve all of those outcomes together.

**The Chair:** Thank you.

We're out of time on that one.

Ms. Dabrusin, we'll go over to you for your five minutes, please.

**Ms. Julie Dabrusin (Toronto—Danforth, Lib.):** Thank you.

There's already been a bit of talk about electricity. I was hoping to pull on that a little bit more, but particularly when we're talking about nuclear, because that's a big part of the source of clean electricity in Ontario. I often get a lot of questions about what we're doing to support the nuclear part of our electrical grid, and also on the safety issues.

I saw there is funding for the Canadian Nuclear Safety Commission, and I was wondering if you could talk a little bit more about what that funding goes towards and what work the Nuclear Safety Commission is doing right now.

**Ms. Mollie Johnson:** I might just pass it over to Shirley to talk a little bit about what the CNSC is doing, but off the top, I would say that the safety of Canada's nuclear facilities, of our regime.... We're known and renowned as being the top nuclear regulator in the world, and we continue to focus on that, particularly as we're looking at continuing to manage the nuclear that we have and considering the opportunities to deploy nuclear to look at clean baseload power across Canada to support our net-zero and decarbonization objectives.

Shirley.

**Mrs. Shirley Carruthers (Chief Financial Officer and Assistant Deputy Minister, Corporate Management and Services Sector, Department of Natural Resources):** Thanks, Mollie.

I would just add that the funding further goes to implement Canada's international commitments on the peaceful use of nuclear energy and dissemination objectives, specific to regulatory information and members to the public.

Thank you.

**Ms. Julie Dabrusin:** Thank you for that and for giving me a bit more background.

The reason that I think people are particularly interested, too, is that we're hearing a lot more conversation about SMRs. There was the announcement about the Darlington SMR, the first, I believe, grid-level SMR.

Would you be able to tell me a little bit more about the SMR strategy and what you see happening in the world of SMRs.

**Ms. Mollie Johnson:** That's a big world.

Canada released the small modular reactor action plan as an opportunity to talk about how we could figure out what the art of the possible is. It wasn't a federal-only strategy; it was working with provinces, indigenous groups, civil societies, university scientists. The whole idea, really, is try to mobilize how we can throw in together to capture this opportunity for Canada.

What's really important about this is going everywhere from critical minerals—and I point to Jeff, given his role in the critical mineral strategy—all the way through to this clean power supply that we can have in Canada as a secure supply chain, and really trying to capitalize on that in Canada.

We are very fortunate to have, at Darlington, an EA site where a 300-megawatt GE SMR is being explored and permitted. We have the AECL, which is Canada's lab, that is looking at this and providing us with some good lessons learned. We have the CNSC, which is going to be looking at how we can regulate and permit this as fast as possible, ensuring that we are looking at indigenous consultation and engagement and all of the environmental protection considerations, because if this is Canada's advantage, it is ours to lose, and we really want to ensure that we are continuing to maintain this advantage as we consider the opportunities and potential for Canada.

• (1710)

**Ms. Julie Dabrusin:** In my final minute, we've talked about a few different aspects when it comes to nuclear, but another one is the Nuclear Waste Management Organization and the work they are doing. I don't believe they're present today.

I don't know if you have anything you might be able to update us on about the work they're doing right now.

**Ms. Mollie Johnson:** For folks who haven't had an opportunity to learn about the NWMO, I would encourage you to do so, given their engagement process, which really starts with the reverse onus, asking people if they want the site, and if they do want the site, to opt in as opposed to pushing it on other people. It's been quite impressive, and, in fact, they are in Washington right now briefing the United States on how they can work together on the process they have championed.

They are getting closer to the selection process on how they work with this. They are down to two sites, and it's a 10 to 15-year process that has been under way. There will be continued news on it, but it's an important part of how we have a safe and long-term management strategy for waste that has been generated over Canada's 70 years of peaceful use in nuclear.

**The Chair:** We'll stop there, and we now go to Monsieur Simard, who will have two and a half minutes.

[Translation]

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

Ms. Johnson, to tie into the questions that Ms. Dabrusin just asked you, I believe that Canada is one of the only countries that considers nuclear power to be clean energy. Am I wrong in saying that?

[English]

**Ms. Mollie Johnson:** Under the taxonomy from the European Union, they have classified it as clean energy as well.

[Translation]

**Mr. Mario Simard:** If you consider it clean energy, does that mean that nuclear energy is going to qualify in the whole strategy that's going to be put in place, particularly on electrification? I'm thinking about the \$10 billion that's in the budget: Could there be tax credits for mini-nuclear projects that would produce electricity, because that's clean energy, in your view?

[English]

**Ms. Mollie Johnson:** Nuclear is part of the energy mix and, when we're looking at decarbonization of Canada's energy system, nuclear is one of the pathways we are considering.

[Translation]

**Mr. Mario Simard:** Perfect, thank you.

Earlier, in response to my colleague, you talked about the famous just transition and you mentioned the current implementation of regional round tables. To my knowledge, however, there is no discussion with Quebec about setting up regional round tables. Is that the case?

[English]

**Ms. Mollie Johnson:** To my knowledge, conversations have begun with the Province of Quebec, but a table isn't formally established yet.

[Translation]

**Mr. Mario Simard:** I don't know. I'm not going to spill any gossip, but I did hear that in Quebec City, there was no interest in this formula.

In the event that Quebec does not see the value of setting up round tables to negotiate, has the department thought of another type of mechanism? It must be understood that everything that will be put in place for the just transition will require sums of money that are still considerable.

[English]

**Ms. Mollie Johnson:** I don't have information on what the alternative arrangements would be at this time, but what I can say is that our path forward on decarbonization and economic opportunity is going to require partnership at the multiple levels that we've been discussing, and as the minister discussed.

[Translation]

**Mr. Mario Simard:** Thank you.

**Ms. Mollie Johnson:** Thank you.

[English]

**The Chair:** Mario, your time is done.

Now we'll go to Charlie for his two and a half minutes.

**Mr. Charlie Angus:** Thank you for being here again.

I might have mentioned it the last time, but my memory does tell me that I did a show with a Mollie Johnson. That wasn't you? I was thinking you didn't look like her, but then I don't look like I did back then either.

**Voices:** Oh, oh!

**Mr. Charlie Angus:** I was thinking maybe that's just the years, but you're a different Mollie Johnson. I just wanted to confirm that.

I want to find out about the sustainable jobs partnership council. Will that be a project of Natural Resources Canada? Where is this thing? Is this a stand-alone, or is this something that is a project?

• (1715)

**Ms. Mollie Johnson:** Mr. Chair, at this point we're waiting for decisions on where the partnership council will sit within the machinery of government. I'm happy to provide that information as soon as it's available.

**Mr. Charlie Angus:** Then the question would be, does this thing have a mandate? What is it?

**Ms. Mollie Johnson:** I can, again, do my "call a friend" and see, Christina, if you have any additional details you're able to share.

Or otherwise, I'm happy to come back to you, Mr. Angus.

**Mr. Charlie Angus:** Again, I'm going to go back to talking to our partners in the building trades, IBEW and Unifor, electrical workers, and say, "You've got a seat apparently, but we don't where it is and we don't what it does".

We've got legislation that's coming any time now. Is it going to be in the legislation to explain to them so that I don't have to explain to them what this body is or what it does?

**Ms. Mollie Johnson:** As the minister said, between the action plan and the legislation, the details are going to be available.

**Mr. Charlie Angus:** And we're expecting that soon, so they should have that figured out by then, right?

**Ms. Mollie Johnson:** They should have that figured out.

**Mr. Charlie Angus:** Because I really want to reassure labour that there is going to be a table, and it's going to have some kind of mandate, it's going to do something and it will be someplace.

But it will be something, would that be fair to say?

**Ms. Mollie Johnson:** That would be fair to say, Mr. Angus. Thank you.

**Mr. Charlie Angus:** Okay. Thank you.

**The Chair:** You still have 30 seconds, if you want.

**Mr. Charlie Angus:** That's okay.

**The Chair:** Okay.

Charlie, I have a question for you then, and I'll use your 30 seconds.

**Mr. Greg McLean:** I'll take his 30 seconds.

**The Chair:** The third round technically has five minutes at the end for the Conservatives and five minutes for the Liberals. The Conservatives have asked for the time.

I do need to allow time to do the vote. By unanimous consent, we could vote the main estimates in one motion.

If you and Mario agree—the Liberals and the Conservatives have agreed to do that—then we could do five minutes, five minutes, the unanimous consent vote in one motion and the travel business, and still be finished by 5:30.

**An hon. member:** Let's go with that.

**The Chair:** Okay. Thank you.

Officials, hopefully you haven't jumped off the line yet. If we could keep you for an extra 10 minutes, for five minutes with the Conservatives and five with the Liberals, we will still have you done before 5:30.

I think, Todd, you're going to be first, so we'll go to you for your five minutes.

**Mr. Todd Doherty (Cariboo—Prince George, CPC):** Sorry, Mr. Chair, but Charlie still has 30 seconds, does he not?

**The Chair:** No, he declined it.

**Mr. Charlie Angus:** I gave up 30 seconds so you could get five minutes. Man, do I feel like a chump.

**Some hon. members:** Oh, oh!

**The Chair:** It's the same for you, Todd, for your five minutes.

If anybody doesn't want to use their full five minutes, we can put that in the bank as well.

**Mr. Todd Doherty:** Thank you, Mr. Chair.

To our officials, thank you for being here.

I'm new to this committee, but not new to the issues of wildfires. As you know, in 2017-18 my region, and indeed our province of British Columbia, suffered some of the worst wildfires in the history of our country. Indeed, we are burning now, as the northeast of British Columbia is, and Alberta is as well.

In 2021, Prime Minister Trudeau, as well as members of the Liberal Party from British Columbia, stood and made a pledge of \$500 million to train 1,000 more firefighters, including the use and purchase of Canadian firefighting equipment.

Can you tell me how many firefighters have been trained and how much of that money has been spent? I've looked in the estimates for 2021 expenditures and 2022 expenditures and there's

nothing there. Do we know how many firefighters have been trained?

**Ms. Mollie Johnson:** I'm going to ask Monique Frison, from the Canadian Forest Service, to get on the line just so we can get you the exact information.

**Ms. Monique Frison (Director General, Trade, Economics and Industry Branch, Department of Natural Resources):** Hello.

So far, the Canadian Interagency Forest Fire Centre received \$5 million to enhance co-operation among jurisdictions so they can help each other during the time of the wildland fire. About \$6 million has gone to Saskatchewan, Alberta and B.C. to purchase equipment, and we'll have purchases for the Northwest Territories, Yukon and Nova Scotia as well. Of the 1,000 firefighters that we said last fiscal year would be trained, about 300 of those have been trained so far.

As we're going along in a season like this, as the minister said earlier, the Canadian Forest Service continues to provide support when it comes to wildland fire monitoring and modelling.

• (1720)

**Mr. Todd Doherty:** Okay. Thank you for that.

Where would that \$500 million be allocated? Where is it located in the estimates?

**Ms. Monique Frison:** There are a couple of places in the estimates. We can send a list through.

**Mr. Todd Doherty:** That would be great. Thank you.

**Ms. Monique Frison:** I'd be able to find them for you. There are probably three different line items in the estimates.

**Mr. Todd Doherty:** Okay. Thank you.

In June 2022, this department released a document called “Canadian Dialogue on Wildland Fire and Forest Resilience—What We Heard”. In there, there were a lot of comments. I'm just trying to get the quotes associated with this minister in relation to “Wildland Fire and Forest Resilience” and “Building Resilient Communities and Financial Instruments to support Wildland Fire Resilience”.

To our colleagues here from the department, it says in these estimates that Natural Resources Canada requested \$1.7 million in contributions supporting wildland fire resilience, a decrease compared with \$2 million in the 2022 main estimates and \$2.3 million in expenditures in 2021, when we are currently seeing more than 60 wildfires that are active and burning across our province, and indeed Alberta, and are seeing more and more of these massive natural events.

Why is this money decreasing, and can you tell me how hundreds of communities are going to share \$1.7 million to make themselves more fire-resilient? It's unbelievable when this number continues to decrease.

**Ms. Mollie Johnson:** I recognize that there is a lot to do in a lot of communities, and my expectation of the funding profile is that we will continue to do the work.

Monique, is there anything you wish to add to that?

**Ms. Monique Frison:** No, just that there are a number of items in the main estimates that are related to fire. That's one of many of the investments we'll be making in the following fiscal year.

**Mr. Todd Doherty:** Okay. I've seen two line items relating to wildland fire and fire. Perhaps you can direct me to where they are, and we'll have a look at that. I see "Climate Change Adaptation". I would assume that's probably one of them. But again, I'm just assuming.

There's "Contributions in support of Fighting and Managing Wildfires in a Changing Climate". There's also "Contributions in support of Wildland Fire Resilience", which to me is really where the money should be spent in our communities and "fire-smarting", whether it's our indigenous communities or rural and remote communities that are right on the front lines—or even deputizing some of our indigenous communities, loggers and farmers to be able to be on the front lines to protect their homes and well-being. One thing—

**The Chair:** Mr. Doherty, we're out of the time. If you have a question, can you get to that?

**Mr. Todd Doherty:** I'll do it right now.

**The Chair:** Perfect.

**Mr. Todd Doherty:** I think \$1.7 million for that just doesn't seem enough. Would you agree?

**Ms. Monique Frison:** We would certainly agree that prevention of wildland fire across Canada has to be a whole-of-society effort, and you certainly would have seen that in the "what we heard" report you mentioned earlier. We certainly also agree that there are plenty of communities in Canada that could benefit from further implementation of the FireSmart program, and we're doing a lot of work on that.

And as we said earlier, we'd be happy to provide you with the list of all of the fire items in the main estimates so that you can take a look at all of those.

**Mr. Todd Doherty:** Can you do that by the end of the week?

**Ms. Mollie Johnson:** We'll be able to provide that by the end of this week. Thank you.

**The Chair:** Thank you, everybody.

I understand that the members to my right have agreed to not take their five minutes. With that, I'd like to thank the officials for being here. Those online, feel free to jump off. Thank you so much for always accepting the invite to come here and for sharing your information. We'll let you go to continue with your day.

For the members, I think we've agreed, but I'll ask the question. Do I have unanimous consent to vote the main estimates in one motion?

(Motion agreed to)

ATOMIC ENERGY OF CANADA LIMITED

Vote 1—Payments to the corporation for operating and capital expenditures.....\$1,541,555,307

(Vote 1 agreed to on division)

CANADIAN ENERGY REGULATOR

Vote 1—Program expenditures.....\$102,009,593

(Vote 1 agreed to on division)

CANADIAN NUCLEAR SAFETY COMMISSION

Vote 1—Program expenditures.....\$51,986,215

(Vote 1 agreed to on division)

DEPARTMENT OF NATURAL RESOURCES

Vote 1—Operating expenditures.....\$767,362,423

Vote 5—Capital expenditures.....\$29,227,432

Vote 10—Grants and contributions.....\$2,517,543,940

(Votes 1, 5 and 10 agreed to on division)

NORTHERN PIPELINE AGENCY

Vote 1—Program expenditures.....\$539,949

(Vote 1 agreed to on division)

**The Chair:** Shall I report the votes, less the amounts voted in interim supply, to the House?

**Some hon. members:** Agreed.

**The Chair:** I have one last thing before we go. Colleagues, we sent off, just at the start of the meeting today, the revised travel proposal for the fall trip related to the power grid study that we will have some time this fall. When we had sent it off to logistics for costing, for all of the places we had put in there, it would have been a 14-day trip and a budget much beyond what we would ever hope to receive.

So I did ask the analyst to go through and pare it down, and that is what was distributed. If you haven't had a chance to look at it, the locations we costed out for this trip would include Fort Nelson, Fort St. John, Edmonton and Fort Chip, as well as Fort McMurray, and then Regina and surrounding areas, either Boundary Dam or Poplar River Power Station. So we wouldn't be able to do either, but the costs are about the same if we do Regina and one of those. And then it's also including Montreal for some site visits there.

I can get the analysts to speak to it if people have looked at the proposal and anybody has any questions and then if there's discussion.

Mr. McLean, we'll go to you.

• (1725)

**Mr. Greg McLean:** Thank you, Mr. Chair.

The environment committee is considering the same trip up to Fort Chipewyan and Fort McMurray, obviously, and the surrounding communities, and it might be an economy if we can get there all together and both participate in what we need to see there.

**The Chair:** I can speak to the chair of the environment committee if we get approved.

Go ahead, Mr. Angus.

**Mr. Charlie Angus:** If this is about electrification, shouldn't we have one out to the maritimes because the Atlantic loop is a big issue?

**The Chair:** The issue then becomes either adding time and cost or dropping one of the areas that we had.... I don't know if when the

analysts looked at it they were trying to give a variety of the types of projects we'd be seeing, and I can have them speak to that briefly if you'd like to hear the rationale for why. Ideally, it would have been great to go—

**Mr. Charlie Angus:** I just want to get out of this room, so wherever we go, I don't care.

**Some hon. members:** Oh, oh!

**The Chair:** Well, we have a proposal that's before you. People have had a chance to look at it. Are you willing to submit this to the Liaison Committee for a request as our fall travel? All in favour? Opposed?

Okay. That's carried. We'll send that to the Liaison Committee for their consideration.

With that, folks, as you know, we have the constituency week next week. When we come back, we have Paper Excellence confirmed for the Tuesday, with witnesses, and then Friday will be the officials for an hour. The just transition or the sustainable jobs report, draft version two, has been distributed, so on the first Friday back we can get into the beginning of the review of the report. That will continue until we complete it.

With that, have a great rest of the week and a safe constituency week.

We're adjourned.

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