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Chair

Mr. Bob Mills

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• (0900)

[English]

The Chair (Mr. Bob Mills (Red Deer, CPC)): Let me call the meeting to order, please.

We'll start off. All of us would like to welcome the minister. Thank you very much for appearing. You look rather lonely sitting there by yourself, but what the heck.

We welcome your opening statements. I'll remind members that we will stick very closely to our time. A lot of you have indicated that you have questions.

I will ask the minister, please, to begin.

Hon. Rona Ambrose (Minister of the Environment): Thank you, Mr. Chair and members of the committee.

It's my pleasure to be here today to discuss a number of environmental issues, including our new government's commitment to protecting the health of Canadians and their environment.

I'd like, first, to begin my presentation today as I had indicated last week, discussing the report of the Commissioner of the Environment.

[Translation]

I would like to thank the commissioner for her report and her recommendations, which she released last week. This report is very timely, as it comes at a critical juncture for Canada.

[English]

I would like to thank the environment commissioner for her report. Our government accepts all of her recommendations.

We are now at a crossroads in terms of the protection of our health and the environment of Canadians. We are also at a crossroads when it comes to environmental protection and enforcement, which have long been talked about but not acted upon.

As everyone knows, the commissioner's report demonstrates that to tackle climate change, neither advertising campaigns nor preening on the international stage can substitute for strong domestic action. What Canadians got from the old government was a lot of talk but few results.

Fortunately, Canadians have elected a new government, and what they are getting from us and will continue to get from us is action.

The commissioner commented in her report that she was troubled over the previous government's long-standing failure to make

progress on the issue of climate change. The commissioner clearly stated that there was a lack of credibility, a lack of monitoring, and a lack of reporting in the previous government's plans.

The most disturbing thing, however, is that after spending over \$1 billion, there were still no results on the environment.

[Translation]

Last week, I think some were surprised to hear the harsh truth from the commissioner that due to Liberal inaction, Canada is not on track to meet its obligations under the Kyoto Protocol.

• (0905)

[English]

When I first was appointed Minister of the Environment, I was, with great honour, also appointed by the Prime Minister to become the president of the Conference of Parties to the framework Convention on Climate Change of the United Nations. I made a very early decision, albeit a very difficult one, to inform our international partners in the Kyoto Protocol—and subsequently informed the Canadian people—what the environment commissioner conveyed to Canadians last week, which was that Canada was not on track to meet our Kyoto commitments. I was honest. It was a difficult message to deliver to Canadians. We told Canadians, though, that this was something we needed to address.

I said very clearly at that time that it is impossible for Canada to reach its Kyoto targets. As the environment commissioner stated, we need new targets. This does not mean an abandonment of Kyoto. In fact, Canada works very closely within the Kyoto process and the Kyoto Protocol with our international partners to move forward, to look beyond what the next stage of Kyoto will be beyond 2012. However, the commissioner confirmed, as you know, what we already knew and what I stated early on in the spring.

On Tuesday, when the commissioner appeared before this committee, she said:

It has become more and more obvious that Canada cannot meet its Kyoto Protocol commitments to reduce greenhouse gases. In fact, instead of decreasing, greenhouse gas emissions in Canada have increased by 27% since 1990.

She also has concerns about the arbitrary target that was set by the previous government. Let me quote again from what the commissioner said on Tuesday:

...when we looked at where this 6% below 1990...came from, it was obvious that there was no sound analysis to support that. ... The federal government picked that number based on what the U.S. was going for. So that's clear. There's no doubt about it.

It also appears that about as much thinking went into the target as went into the expensive programs that the previous government developed to help Canada meet that target. Setting a target that was unachievable set in motion, I believe strongly, a set of subsequent bad policy decisions to actually try to reach the target.

It's time for a brand new approach to the environment. This new approach is going to address the real priorities of Canadians in a tangible and accountable way. Our approach will deliver clean air to Canadians to protect their health while also making genuine progress on reducing greenhouse gas emissions as well as other contaminants that are harmful to our health.

I'm looking forward to announcing very soon a real and responsible approach that actually delivers a healthy environment for all of us. I know Canadians want to see progress on the environment. Canadians understand full well the challenges that face us. They do not expect answers overnight, but they expect action and they expect progress.

As Commissioner Gélinas has recommended, a new approach is needed based on leadership, accountability, and measurable results. We agree with all of her recommendations. These are the key dimensions of our approach, and that is why we will succeed where the previous governments have failed.

The commissioner also identified a number of areas we need to focus on, and our government is already taking those into consideration and taking action. In the area of leadership, environment is a government-wide priority led by our Prime Minister. As the Minister of the Environment, I am in the lead on all issues related to the environment, whether it's climate change, clean water, or clean air and air pollution. I am working also, though, with a strong commitment from a number of my cabinet colleagues around the cabinet table, including the Ministers of Health, Natural Resources, Transportation, Infrastructure and Communities, Industry, and also the Minister of Finance and the Minister of Indian Affairs and Northern Development, as we move forward with our environment agenda.

Commissioner Gélinas has also pointed out the need to take into consideration energy and climate change. As she pointed out, the previous government had difficulty working between the two departments, Natural Resources and Environment. I can tell you those days are over. Energy and climate change must be dealt with together, because they are linked. It's important that all sectors be involved in addressing this issue facing us, particularly the energy sector, and we will continue to consult and collaborate with all economic sectors moving forward.

She also talked about the need to reduce greenhouse gases, and our approach will see reductions not only in air pollution but also in greenhouse gases.

● (0910)

Throughout her report, Commissioner Gélinas pointed out the importance of the transportation sector and industry sector to help reduce greenhouse gas emissions. She noted that the previous government failed in this respect, and by contrast, our government is committed to succeeding by bringing forward legislation.

Specifically, I was encouraged to see that the commissioner saw the inadequacy of the previous government's approach, which relied on unaccountable, voluntary measures. She also highlighted the need to address adaptation.

I was privileged to host the United Nations Framework Convention on Climate Change Conference on adaptation in my own hometown of Edmonton.

We need a realistic and effective plan to reduce air pollution and greenhouse gas emissions, but it must also include appropriate policies, strategies, and measures to build upon Canadians' capacities to actually adapt to what already is a changing climate. Environment Canada is in a position to lead and collaborate with others on scientific, technical, and socio-economic impacts.

On governance and accountability, that is another issue on which the commissioner placed a high priority. The committee members know full well that accountability is also of paramount importance to our government. Canadians demand accountability on all files of the government, especially on the environment, and we will deliver. Accountability on the environment consists of having clear goals, being able to measure progress, and transparently reporting on your results to Canadians.

On monitoring, Canada doesn't currently have a systematic way of measuring air quality. The previous government did not make use of leading technology that could measure the pollution released into the environment in real time. The previous government also didn't develop a systematic way to link environmental performance in Canada with the impacts on human health, especially with respect to air pollution. This is why our air is in poor condition and why our health is suffering. This is unacceptable to Canadians and it's unacceptable to our government.

On reporting, Canadians have not been provided in the past with clear, comprehensive information on environmental performance. This is simply unacceptable. Through clear reporting, our government will be able to show real progress to Canadians.

On enforcement, accountability also means that when the rules are broken, polluters are held accountable. For years, prosecutions and violations were rare under the previous government. In the isolated cases of conviction, the penalties were weak and often inconsequential. Cases were frequently settled for absurdly low amounts of money. For too long, federal prosecutors gave the environment too low a profile and made it too low a priority. Enforcement only consisted of issuing warnings rather than taking action. All Canadians agree that this is unacceptable. It's also unacceptable to our government.

While the commissioner's report highlighted a number of key issues and recommendations moving forward, I also want to address a number of other issues that are of importance to Canadians.

Canadians are concerned about growing rates of asthma and are concerned about cancer from environmental sources. The commissioner's report focused on climate change, and our government is addressing that issue. However, in addition to the previous government's lack of action on climate change, another troubling aspect was the lack of political will to address air quality, which is the number one environmental concern of Canadians. That is why my main priority is to protect the health of Canadians.

Canadians do have reason to be concerned. We all know someone who suffers from the effects of air pollution. It's an issue that has touched every family in Canada. The Lung Association has confirmed that air pollution has a significant impact on health. It irritates, inflames, and destroys lung tissue, and it weakens the lungs' defences against contaminants. Even low levels of air pollution can cause health problems. In the Lung Association's national report card on pulmonary disease, which includes chronic bronchitis and emphysema, the association stated that pulmonary disease is caused not only by smoking but also by exposure to outdoor air pollution. Smog and poor air quality continue to cause thousands of deaths each year and hundreds of thousands of severe episodes of asthma and bronchitis, particularly among children and the elderly.

During an average year, exposure to air pollution results in an estimated 60,000 emergency room visits and 17,000 hospital admissions in Ontario alone. Air pollution is now a factor in one out of every twelve deaths in Canada. Poor air quality also remains one of the most serious threats to biodiversity, forests, and freshwater ecosystems.

• (0915)

We know the direct and indirect costs of air pollution on health and the environment are in the billions of dollars.

A recent study by the Ontario Medical Association estimated damages in Ontario alone at \$374 million in lost productivity in work time, \$507 million in direct health care costs, \$537 million in pain and suffering due to non-fatal illness, and \$64 billion in economic loss due to premature death. This total in Ontario alone is expected to increase to over \$11 billion by 2026. These are all very compelling reasons for us to take action to reduce air emissions and to make our air cleaner.

A report issued in August by the David Suzuki Foundation, called *The Air We Breathe*, stated the following:

There is strong evidence that air pollution is the most harmful environmental problem in Canada in terms of human health effects, causing thousands of deaths, millions of illnesses, billions of dollars in health care expenses, and tens of billions of dollars in lost productivity every year.

It is why our government is taking a strong stance on removing the pollutants from our air by introducing national legislation. Unfortunately, in the past decade, Canada's performance on the environment has lagged behind that of our international counterparts.

The Sustainable Planning Research Group at Simon Fraser University completed a study in 2004 using data from the OECD. The study examined 29 key environmental indicators, and Canada's environmental performance ranked an embarrassing 28 out of 30 countries.

In the same study, the United States performed better than us in a number of areas, including the emissions of sulphur oxides, nitrogen oxides, volatile organic compounds, and carbon monoxide. Canada's performance on greenhouse gas emissions since 1990 has also lagged behind that of the United States in terms of a percentage increase in greenhouse gas emissions.

We are all committed to doing better on all of these fronts. It is why this will be the first time the federal government will put in place a broad national framework to achieve real reductions in air pollution and greenhouse gas emissions.

In the past, the government has relied on a patchwork approach, and this was a major failure. The previous government's strategy of throwing money at the problem and voluntary agreements simply did not work.

Canada's new government has promised a cleaner and a healthier environment. We will deliver strong legislation and a real action plan that achieves results and measurable reductions in air pollution and greenhouse gases.

Air quality is a national concern in Canada, and air knows no boundaries. Therefore, we need national legislation, we need national objectives, and we need national standards.

We have a mandate from Canadians to act and that's what we will continue to do, but we've already begun to deliver on a number of these areas.

As you know, and as the environment commissioner pointed out in her report, transportation is one of the leading causes of pollution and greenhouse gas emissions in Canada. Our new government has invested \$1.3 billion in public transit and infrastructure. This funding will assist in the building of the infrastructure necessary to deal with increased ridership.

Starting July 1 of this year, our government provided a transit rider tax credit. This means transit riders who buy monthly passes will receive almost two free months of transit per year. For example, the credit could be worth as much as \$635 a year for a commuter in Barrie who might travel to work in downtown Toronto.

Renewable energy has great potential for providing clean alternatives for power. This government is also helping Canadians make cleaner fuel choices by increasing the average renewable fuel content in gasoline and diesel fuels by 5% by 2010. This target is more stringent than the United States and it's on par with our European partners.

Increasing the renewable energy content of fuels can help us achieve numerous objectives. From the standpoint of environmental conservation, 5% renewable content in engine fuels will help reduce greenhouse gas emissions.

These actions alone, the transit rider tax credit, the transit infrastructure, and the 5% renewable content, all have tangible results that Canadians can see. They will promote increased public transit usage, which will help reduce congestion in our urban areas and reduce air pollution and greenhouse gas emissions. These actions will be equivalent to taking 1.5 million cars off the road, year after year.

• (0920)

According to the Canadian Renewable Fuels Association, there will be a 4.2-megatonne-per-year reduction in net greenhouse gas emissions. There will also be 10,000 direct and indirect jobs created and \$600 million of annual economic activity added to the Canadian economy when the ethanol and biodiesel production facilities are up and running.

On toxics, Canadians are increasingly concerned about their exposure to toxic substances, including the low-dose chemicals in their food and the pharmaceuticals in their water. Our government has already taken significant steps to protect the health of Canadians by taking action on a number of toxic substances. We have taken action to regulate two harmful substances used in the production of some commonly used stain repellants and fire retardants, known as PFOSs and PBDEs. We have introduced a measure to reduce the amount of mercury in Canada's atmosphere by ten tonnes over the next ten years by removing mercury switches from scrapped cars before they are recycled. As all of you know, mercury is a highly toxic substance that can cause serious human health and ecological effects.

In addition, Canada is the first country in the world to publish an action plan addressing certain toxic chemicals found to be sources of what's known as PFCAs. Such substances are commonly used as water and grease repellants for materials found in our homes, such as paper, fabric, leather, and carpets.

As many of you know, the Conservative Mulroney government took action in 1985 to begin removing PCBs from the environment. Our new government has set in place a regulatory plan that will remove 50% of the PCBs still in use and 100% of the PCBs that are currently in storage.

Many of these substances that we have taken early action on are linked to cancer, blindness, and birth defects, to name only a few of the health effects. It's clear that our government is committed to taking concrete action on toxic substances, and this is only the beginning. On September 14 of this year we became the first government and the first country in the world to complete a full review to assess the risk to human health posed by all 23,000 chemical substances in use or produced prior to 1994. This is a significant milestone to protect the health of Canadians.

In the very near future, our government will be releasing a comprehensive action plan to build on this tremendous achievement and take further action to protect the health of Canadians against toxic, cancer-causing chemicals.

Earlier this month, the Canadian Cancer Society applauded our government's action on this important issue, saying:

We welcome this action.... We believe that Canadians should not be exposed to cancer-causing substances in the environment.... It was heartening to see many

groups come together on this important review and we hope this collaboration continues.

In conclusion, clearly it's time for action. We have already begun demonstrating to Canadians that we take this issue very seriously. Our new government is making progress on improving the environment in which Canadians live, work, and play, and we will continue to show progress to Canadians in tangible ways that they can see.

We've lagged behind our international counterparts for too long. That has to change, and it will change. The most important way we can make a contribution to these important international challenges is by putting in place a strong domestic agenda here in Canada.

Finally, before I open it up to questions, I would like to thank each of you for being here today and also for the hard work that I know the committee is doing on the CEPA review. The Canadian Environmental Protection Act is a very important piece of environmental legislation for Canadians, and I want to thank you. I have heard from my parliamentary secretary, Mark Warawa, all of the good work that you've been doing on the CEPA review and all the work you've been doing in scoping the issues for consideration. I appreciate all your cooperation on that and look forward to your questions.

The Chair: Thank you very much.

I would remind members to keep to your time. If we could stick with that, everybody will have an opportunity to ask questions.

We'll begin with Mr. Godfrey.

Hon. John Godfrey (Don Valley West, Lib.): Welcome, Minister. I want to spend my time talking about Kyoto and global warming, and I simply want to make sure that when I use the word "Kyoto", you and I mean the same thing. I assume we mean an international treaty designed to reduce greenhouse gases whereby various countries like Canada make commitments to specific targets over time. Is that what we would mean by Kyoto?

• (0925)

Hon. Rona Ambrose: Mr. Godfrey, there is only one Kyoto Protocol that Canada is a party to.

Hon. John Godfrey: Okay.

I was fascinated the other day, in response to a question in the House, when you said that your new plan—or, as I gather it's now called as of today, your new approach—would go beyond Kyoto. From a plain-language reading of that, that would mean we would not only meet our targets but would go beyond them. Is that what you meant?

Hon. Rona Ambrose: Mr. Godfrey, it's very important to our international partners that we start to think about what we're going to do beyond 2012. The target your party set, set in motion a subsequent series of very bad policy decisions that have basically brought us to the position we are in today. We are now in a situation of working with our international partners to find a way to contribute to the Kyoto Protocol.

As I said, the most important thing we can do as a government and as a country to contribute to this important international challenge is to put in place a strong domestic agenda, which many of our international partners have done.

When we talk about going beyond Kyoto, we talk about also addressing issues like air quality and air pollution. As you know, Kyoto deals with a number of precursors to smog and it deals with greenhouse gases. We also need to deal with air pollution. We need a national framework that deals with both of those issues.

Hon. John Godfrey: Kyoto is not about air pollution. We agreed that it's about the reduction of greenhouse gases.

Let me then ask you, because you answered another question this week when somebody was talking about international credits.... And I want to tell you, by the way, it reminds me of what the Commissioner of the Environment and Sustainable Development said about this on page 32 of chapter 1:

Investing in Kyoto credits from international projects can have economic and environmental benefits.... Project-based Kyoto mechanisms, such as the Clean Development Mechanism and Joint Implementation, can result in real emission reductions and provide opportunities for sustainable development in developed and developing countries.

When you were asked about that, you said the money we could be spending on those credits could go instead to garbage plants and water treatment plants. How would we meet our Kyoto targets—which we agree are about reducing greenhouse gases—more effectively by investing in a water treatment plant instead of in the international credit system, which the Commissioner of the Environment thinks is an effective way of reducing greenhouse gases? Why is that domestic choice going to be better in our fight against climate change?

Hon. Rona Ambrose: Mr. Godfrey, as you know, the clean development mechanism is one process a country can use to meet its target under the Kyoto Protocol. Remember, most countries have a target that is achievable and realistic, and as the environment commissioner pointed out, the target set by your party was an arbitrarily set target. What has been set in motion by having an unachievable target and by not having a domestic plan in place led your government—and now to the situation we're in—to the point where the only option was to buy international credits.

Most industry sectors will tell you that the government was forced into a situation whereby billions of dollars of credits would have to be purchased, through the clean development mechanism, from third world countries to reach that target. Most industry sectors will tell you that they will happily come to the table and make changes in their own technology based on the best available technology. But your target basically put a restriction on them to be able to meet what was technologically available to them and forced them to invest money in the clean development mechanism by purchasing international credits.

I would also point out to you that there is a lot of evidence now about the lack of accountability around these kinds of projects. So while your government was investing money in Kazakhstan and Azerbaijan and all of those places—and I could list 100 projects where taxpayers' money was involved—I'll tell you what a clean development expert said at the Institute for Policy Studies. She said that because of the lack of accountability around these kinds of

projects, which by the way involve firms that are being paid by project participants—the project participants themselves are developers for the projects and also their own inspectors. You're giving a negative response. She said, “You're creating all kinds of incentives for corruption.”

In India, the Centre for Science and the Environment uncovered half a dozen breaches of Kyoto rules requiring developers to consult with local communities about accountability for these projects. He said—

● (0930)

Hon. John Godfrey: I'd like to move on, if I might, to—

Hon. Rona Ambrose: Let me just tell you what he said. The director in India—

Hon. John Godfrey: Okay, you can finish that thought.

Hon. Rona Ambrose: —who deals with the clean development mechanisms himself said, “We were really disgusted.” It was because of the lack of accountability and the use of private accounting firms and inspection firms to make sure that these projects were actually delivering real reductions.

Hon. John Godfrey: Now I'd like to move to the subject of targets. You say we couldn't meet our target. The Commissioner of the Environment said two things. One is that if you can't meet that target, you should set another target. She also said that we need short-term targets as well as long-term targets, and that would be a measure of the success of any future plan or approach.

When we asked her what a short-term target was, she said, for example, a Kyoto target of 2010-2012.

My question is, will Canada have regulated greenhouse gas targets in effect by January 1 of 2008?

Hon. Rona Ambrose: Canada will have, for the first time, a national regulatory framework to deal with air pollutants and greenhouse gases that will clearly involve and must involve short-term, medium-term, and long-term targets.

But what I will tell you is that this government will not set arbitrary targets without consultation with industry, provinces, and territories, which was what led your government to leave us in the position we are in today.

We will consult with industry particularly and with provinces and territories on short- and medium-term targets.

Hon. John Godfrey: Since you want to move from talking to taking action, and since it would take about five years to pass a clean air act and bring in the requisite regulations, and since we have a mechanism called the Canadian Environmental Protection Act, which everybody agrees—including the commissioner when we put it to her here on Tuesday—is ready to go, both on dealing with pollution and on dealing with the regulation of greenhouse gases, why would we need a new piece of legislation, a clean air act, if we want to take action now?

What is to prevent us from using CEPA to get on with it right now, and won't bringing in a new piece of legislation, which is unnecessary in the view of the Commissioner of the Environment, slow things down unnecessarily?

Hon. Rona Ambrose: Canada's clean air act will establish a regulatory framework for the first time to deal with both air pollution and greenhouse gases at the federal level.

The Canadian Environmental Protection Act is a very strong and important piece of legislation in Canada, but what I will say to you is that it could be stronger. There are elements in the Canadian Environmental Protection Act that need improvement, particularly around the areas of monitoring and reporting and enforcement.

Hon. John Godfrey: Why would we not simply use the review process for CEPA to bring about those improvements and do it possibly through regulation? We know we have everything in place. All the powers are there, says the commissioner, so we don't need a new piece of legislation. We just need to make the current one, which we're reviewing right now, do the job through regulation.

Hon. Rona Ambrose: As I said, Canada's clean air act will set in place the powers that the federal government will need to act on air pollution and greenhouse gases at the federal level. It will also give us increased powers on reporting, enforcement, auditing, and monitoring, which is key to making sure we can show progress to Canadians on this important issue.

Hon. John Godfrey: If, through testimony before this committee, it turns out that in fact all the powers you describe are contained within CEPA, would you still insist on going ahead with the clean air act?

Hon. Rona Ambrose: As I said, the Canadian Environmental Protection Act is a very important piece of legislation, but Canada's clean air act will enhance our powers at the federal level to deal with air pollutants and greenhouse gases, particularly in the area of auditing and monitoring and enforcement and reporting to Canadians.

Hon. John Godfrey: If the committee could prove, however, that everything you want could be achieved through CEPA reform rather than a new clean air act, would you accept that instead, if you're anxious to get on with action rather than talking?

Hon. Rona Ambrose: As I said, when the Canadian clean air act is tabled, I look forward to working with this committee on amendments to make it stronger. I think you will be very pleased with what you see, and we look forward to having your participation.

The environment is an issue that matters to all Canadians, and I hope this committee will put aside its partisanship and recognize that for the first time in a long time you will have a piece of legislation in front of you that will provide you with the opportunity to show Canadians your commitment, not only on air quality but on the issue of climate change.

● (0935)

Hon. John Godfrey: I have a fast little question because I'm getting the evil eye from the chairman here.

Will your government allow emissions trading for greenhouse gases in your new approach/plan?

Hon. Rona Ambrose: What I will tell you is how our government differs from the Liberal government on this issue.

We will not use taxpayers' money to play the emissions trading market, nor will we use taxpayers' money to create an artificial market to buy and sell credits. As you know, the emissions trading market is relatively new. The European Union market crashed only a few months ago, and hundreds of millions of euros and taxpayers' money in European governments were lost.

So what I will reiterate is that our government will not take those kinds of risks with taxpayers' money. We will not use taxpayers' money to trade credits, to buy credits, or to set up an artificial market for credit trading.

The Chair: Monsieur Bigras.

[Translation]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Thank you very much, Mr. Chair.

Before I ask my first question, Madam Minister, I would like to submit a petition signed by more than 80,000 people from Quebec and Canada who want to see the Kyoto Protocol implemented.

Minister, I think we had to do this today. Indeed, it seems to me that since you became Minister of the Environment, you have not listened to what parliamentarians had to say. Since May, that is since the passing of the motion by the House of Commons, you have been in an awkward position towards the Quebec and Canadian people who want to see the Kyoto Protocol implemented. Today, you are talking to us about new targets and new approaches but there is nothing to convince us that you intend to abide by the Kyoto Protocol.

Do you realize that your attitude is leading to a loss of confidence, not only in the House of Commons but also among the Quebec and Canadian people?

[English]

Hon. Rona Ambrose: Thank you for your question, and thank you for the petition you've brought before me.

This petition is of no surprise to me. I know full well the commitment that Canadians have to the issue of climate change. I also know the full commitment they have to seeing the improvement of air quality. As you know, air quality is the number one environmental concern to Canadians, and it's also a concern to Quebecers.

What I will say is that our government has never stated we would abandon Kyoto and has never stated we will not participate in the Kyoto Protocol process. What we have stated is that we need new targets. The environment commissioner stated that very clearly last week. So what I would say to you is that I encourage you to work with us moving forward.

As I said before, the best way for our government and our country to show a commitment to the Kyoto Protocol is to put a good domestic plan in place with all of the provinces—a national domestic agenda to reduce greenhouse gases and air pollution. That is what we will be bringing forward for this committee to examine and what we will be bringing forward for this committee to comment on and hopefully improve upon.

[Translation]

Mr. Bernard Bigras: You said that we need new targets. You even said that you intend to go beyond the Kyoto Protocol.

Does that imply that Canada is asking the international community to delay its commitment to a 6% reduction of its emissions between 2008 and 2012 to the second greenhouse gas reduction period? Are you saying that you will abide by the Kyoto Protocol, but only in 2025? Is this part of the strategies and assumptions you are suggesting today?

[English]

Hon. Rona Ambrose: I think I understand your question, but the Kyoto Protocol has very strict mechanisms in place for compliance. As I said, very early on I made the decision—albeit it was a difficult one—to inform the Canadian public that we were not on track. Not only were we not on track, but we were off the rails in terms of reaching our Kyoto target.

But I also sat down with the United Nations Secretariat. I sat down with our international partners in advance to let them know where Canada was at, but also to tell them that we are fully committed to working with them in this process. And what we will do to show action and progress to our international counterparts, to the Kyoto Protocol members, and to Canadians is we will be putting in place a domestic agenda in short order to show progress.

As you well know, there are many countries around the world that are involved in the conference of parties subject to the Kyoto Protocol that are not reaching their targets. The Kyoto Protocol was the first big international step. We are also involved in the G-8 plus five discussions on climate change. Our chair, Bob Mills, just came back late last night. He was kind enough, with all his expertise—and I value him so much for that—to go to the G-8 discussions, because I was unable to be there.

We're also involved in discussions on the Asia-Pacific partnership. There are a number of regional groups emerging in the eastern United States. California has just introduced a piece of domestic legislation to address greenhouse gases. This is an issue of global importance, and Canada is participating on a number of fronts. But what we have said to our international counterparts is that we will in short order put in place a domestic agenda to contribute to that international challenge. Again, this is the best way we can help reach the goals the international community has set for us.

• (0940)

[Translation]

Mr. Bernard Bigras: Minister, I understand that you intend to go to all international fora in order to remind everyone that Canada wants to tackle climate change. With all due respect to our Chair, I would suggest that it would have been better for you to attend the G-8 meeting instead of asking the chairman of our committee to go. If

ministers of all other countries attended this meeting, you should have been there. I think your absence was unacceptable.

At the end of your presentation, you mentioned national programs to be implemented in Canada. The environment commissioner clearly stated, on page 27 of chapter 1 of her report on climate change, that the benefits of emission trading have been demonstrated.

As recently as yesterday, the chairman of the Montreal Climate Exchange said he was encouraged by your statements suggesting that you may want to create an emission trading exchange in Canada. Can you confirm this intention to the committee today? I am not asking you to talk about [Editor's note: inaudible] or the purchase of international credits. I want to know if the government really intends to create this exchange.

[English]

Hon. Rona Ambrose: Thank you for your question. As you well know, credit exchange markets do not need the government's permission to emerge. There is not a national regulatory framework for greenhouse gas emission reductions in the United States, and we have the Chicago Climate Exchange that is operating.

I've met with the Montreal Climate Exchange proponents, and what I will say is that there are a number of compliance mechanisms that we can look at as a government. I look forward to discussing all of those with this committee in terms of ways whereby we can help industry achieve reductions. As you know, there is only a certain amount of in-house reductions that industry can make based on best available technology or potentially near coming available technology.

Beyond that, what they look for is other compliance mechanisms, and there are a number of those that we can discuss. When the clean air act is tabled I look forward to discussing those with you. As I said, trading itself is one of those compliance mechanisms that's available to industry, but what I will tell you is that this government will not be a part of the trading market. We will not use taxpayers' money to play the trading market. We will not put together a pool of taxpayers' money of credits, which is what the last government did, to buy and sell credits or to create an inflated, artificial market.

[Translation]

Mr. Bernard Bigras: I'm not talking about the Chicago Exchange, which I know fairly well. I'm talking about the credits market in which the government has a responsibility. If your government considers that markets rules apply to the economy, I find it difficult to understand why it should be different when it comes to the environment. There are concrete examples of emission trading, in Europe and elsewhere. This process was used to improve the acid rain situation with the United States.

Don't you think you would be making a mistake by refusing to create a credits market? We may not be able to reach our targets otherwise. We would be delaying by 10 years a target we should already have met.

• (0945)

[English]

Hon. Rona Ambrose: In your question you mentioned the Montreal Climate Exchange's comments that our government is indicating moving with legislation. That is because a regulatory framework or legislation enables the opportunity for the creation of a market, but the government does not create that market; it emerges around a regulatory framework. As I said, when the proposed clean air act is tabled and comes before this committee, I look forward to looking at all the compliance mechanisms available to industry sectors, but as far as the government is concerned, we will not be using taxpayers' money to play in that market; we will not take risks with taxpayers' dollars that way. The emissions trading markets are still relatively new. In the European market in particular we've seen a recent crash that caused losses of hundreds of millions of euros and dollars to taxpayers and governments in Europe, and we will not embark on a risk like that with taxpayers' money.

The Chair: Thank you, Mr. Bigras.

For the record, I just want to correct something you stated. At the G-8 plus five meeting, at which twenty countries were represented, many of those countries were represented by bureaucrats. Few of them were represented by elected, accountable members of Parliament, so you are incorrect in saying that all the ministers were there; they were not. Thank you.

Mr. Cullen is next.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Thank you, Mr. Chair.

Minister, thanks for showing up.

Let's start with some things we agree with. The Liberals, over the years that they were in charge of greenhouse gas emissions, were an unmitigated disaster. Is that a fair comment?

Hon. Rona Ambrose: I will say what the commissioner said—

Mr. Nathan Cullen: Please.

Hon. Rona Ambrose: —that there has been some attempt to make progress. I recognize that, because I think it's important. The environment department in particular has a strong foundation of science that can enable us to move forward quickly on a plan—a strong domestic agenda.

Mr. Nathan Cullen: That would be A for effort, but not so great on the results.

Hon. Rona Ambrose: As I said, I think it's difficult to show results with the lack of framework that voluntary measures provide us with.

Mr. Nathan Cullen: Does your department agree with all the recommendations in Ms. Gélinas' report, the commissioner's report?

Hon. Rona Ambrose: Yes.

Mr. Nathan Cullen: I have a quick question in terms of the analysis you folks use when you're distributing. A part of her recommendations were that there wasn't much analysis made of our first commitments under Kyoto. You cite that as a serious flaw, correct?

Hon. Rona Ambrose: Yes.

Mr. Nathan Cullen: What analysis did you make when your government decided to kill the EnerGuide program?

Hon. Rona Ambrose: As you know, the commissioner's report clearly indicated there was a serious concern with lack of accountability and effectiveness—and therefore results—on all of the climate change programs. Our government, for that reason, cancelled a number of these programs and put a number of these programs under review.

Mr. Nathan Cullen: Do you believe EnerGuide wasn't working?

Hon. Rona Ambrose: What I will say is what she said, which was that there was a foundation, and it was moving in the right direction.

However, I know the Minister of Natural Resources is coming forward with an energy efficiency plan that he believes will be enhanced and will provide more accountability, results, and effectiveness on energy efficiency and conservation matters.

I think Commissioner Gélinas very clearly pointed out that all of these programs, including EnerGuide, can work better. I believe it's the wish and the strong intent of the Minister of Natural Resources, who oversees this program, to bring forward a more effective program.

Mr. Nathan Cullen: It was a program that had a strong foundation and, according to Madame Gélinas, the Commissioner of the Environment and Sustainable Development, was working, and your government decided to cancel it.

The question I have around greenhouse gas emissions and climate change in general is, do you believe it's a serious problem?

Hon. Rona Ambrose: Yes.

Mr. Nathan Cullen: Do you believe humans are in fact contributing to this problem?

• (0950)

Hon. Rona Ambrose: I think all of us contribute to this problem.

Mr. Nathan Cullen: That's interesting. The Prime Minister doesn't seem to. It seems that in casting doubt over the very science of climate change by inviting skeptics like Dr. Ball and others—have you attended any of Timothy Ball's sessions? No?

Hon. Rona Ambrose: I'm not familiar with him.

Mr. Nathan Cullen: A lot of your caucus members have.

The Prime Minister cast a doubt over the very science of climate change only last week, asking how can we possibly have any certainty over what's happening in the climate over decades if we can't predict the weather next week. That seems to me an irresponsible comment, considering the incredible amount of research that's gone into this and your own admission that it is an important and pressing problem. Why would such irresponsible comments be coming from the leadership of your government over such an important issue?

Hon. Rona Ambrose: What's irresponsible is that we're still having this debate and you are still asking questions about the science of climate change.

Mr. Nathan Cullen: I didn't ask those questions, Minister; it was actually the Prime Minister who posed those questions.

Hon. Rona Ambrose: In our government's Speech from the Throne within the first week of coming into power, one of the commitments the Prime Minister made was to show measurable improvements to our environment by reducing air pollution and greenhouse gases and to put in place a strong domestic agenda to address both of these issues.

That's commitment, and we've already shown action on both of those fronts.

Mr. Nathan Cullen: We signed the Kyoto Protocol, and in that protocol we have commitments for a certain amount of reductions in pollution in Canada by 2012. You've said we won't abandon Kyoto, yet we won't abide by Kyoto.

Hon. Rona Ambrose: No, those are your words.

Mr. Nathan Cullen: Will we meet our targets under Kyoto?

Hon. Rona Ambrose: We know that Canada is not on track, as the commissioner very clearly stated, to meet the target under Kyoto. Does that mean we're abandoning the protocol? No.

Does that mean we're participating with our international partners on this important issue within the protocol, within the G-8 plus five, within the Asia-Pacific partnership, and with our neighbour, the United States? There are a number of ways we can move forward to contribute to this international challenge.

Mr. Nathan Cullen: The commissioner, when asked whether it was possible to meet our 2012 targets, said it was possible.

Your leader asked for suggestions. The New Democrats put forward suggestions. Are you planning to pick those up and actually make an attempt to meet the 2012 targets?

Hon. Rona Ambrose: I've reviewed some of the suggestions you have made, and I encourage you to raise those issues again when the clean air act is tabled and comes to committee. I know you've made a number of very good suggestions on the environment file, and I look forward to working with you.

I know you have not spoken to me directly about these, although I've invited you many times to bring forward amendments to CEPA that we could potentially support together. I think this committee has a great opportunity right now, in undergoing the review of the Canadian Environmental Protection Act, to make it stronger.

So I would encourage you to focus on ways to make the Canadian Environmental Protection Act work better, become more effective, and show stronger results for Canadians, instead of being caught up in the partisanship in which you are always caught up.

Mr. Nathan Cullen: Sure. Interesting.

Are you interested in emissions-intensity reductions or absolute reductions, specifically when it comes to the tar sands?

Hon. Rona Ambrose: In terms of the energy sector, there are two issues. There's upstream oil and gas. There's the conventional oil and gas sector and the oil sands sector. There are different ways that we can measure pollution, whether it's through intensity targets or hard targets. When it comes to pollution, we would obviously consider hard caps as well.

We will consult with industry, provinces, and territories about all targets, whether short-, medium-, or long-term. Our government will

not set arbitrary targets like the previous government did. It's very important that we put in place achievable targets because—

Mr. Nathan Cullen: Will they be absolute? That was a simple question.

I'm a bit confused. I appreciate the briefing on the energy sector, but I asked a specific question on whether you will use emissions intensity or absolute targets. It's not complicated; it's a straightforward question.

● (0955)

Hon. Rona Ambrose: As I said, when the clean air act is tabled, this committee will have an opportunity to address a number of issues related to the best form to take when it comes to targets. Short-, medium-, and long-term targets are obviously key, but short-term targets set in place the most pressing reductions of greenhouse gases for the energy sector. It's important that we set in place reachable and achievable targets so we're not actually forcing money out of the country.

We first of all want to ensure that industry sectors are making investments in their own in-house technology, in-house reductions. Second, we will hopefully put in place compliance mechanisms that will see money stay within the country.

Mr. Nathan Cullen: That's something we all see as laudable.

Are you planning to stop the \$1.5 billion by which Canadian taxpayers are subsidizing the tar sands every year?

Hon. Rona Ambrose: The oil and gas sector, as the environment commissioner has pointed out, has to be a key contributor to the environmental agenda. We had a very good first meeting with the oil and gas sector last week, and we met with a number of CEOs who are implicated in this environmental agenda. We indicated to them that we will be moving ahead with legislation and they will have to be a part of that.

Mr. Nathan Cullen: Will you remove the subsidy to the oil and gas sector?

The Chair: Allow the minister to finish, please.

Mr. Nathan Cullen: That's just my point, Chair. I'm asking a very specific question and I'm getting a general answer.

In your plan, will your government stop the \$1.5 billion subsidy to the oil and gas sector that has been going on under the Liberals and continues under you?

Hon. Rona Ambrose: As the environment minister, what I can tell you is that the oil and gas sector has to be a big part of our plan. We have met with them early on and indicated to them that we're moving ahead with legislation and they will be a big part of it.

Mr. Nathan Cullen: Do you believe that ethanol is a good approach in terms of putting it into fuels for reducing our greenhouse gas emissions in Canada?

Hon. Rona Ambrose: As you know, moving to cleaner burning fuels is a very important way that we can contribute to lowering greenhouse gas emissions. As the environment minister, I will tell you that there are advantages to ethanol, but obviously biodiesel, as you know, makes a better contribution to the reduction in greenhouse gases. But I think the flip side of that is also the economic opportunity, particularly for the agriculture industry, as you know, both in the production of ethanol and biodiesel.

Mr. Nathan Cullen: I asked in the House yesterday, and I appreciate that it was question period and it's difficult to have answers on hand, how much we have reduced our emissions from the auto sector with 17 months of the auto agreement, the voluntary agreement.

Hon. Rona Ambrose: That's a very interesting question, because that's one of the concerns I have with a voluntary agreement. It was a good first step for the former government to sign the memorandum of understanding with the auto sector, but the problem—

Mr. Nathan Cullen: Do we actually know?

The Chair: Mr. Cullen, your time is up.

Minister, just finish your thought there, please.

Hon. Rona Ambrose: Sure.

It's only one year old at this point. The concern I have about using a voluntary memorandum of understanding is that the memorandum of understanding itself is with the entire association, so it precludes individual manufacturers in the auto sector from complying and reporting with specific requirements.

I will say, though, that the projected emissions reductions for the voluntary MOU are very good. As I said, it's only one year in at this point, and there are obvious advantages to moving to a regulatory framework, particularly on the reporting, the accountability, and the transparency for that sector.

The Chair: Thank you.

Mr. Warawa.

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

I'm going to be splitting my ten minutes. I'll be using only five minutes and providing the other five to Mr. Harvey, and that way hopefully giving everybody a chance to ask the minister a question.

Minister, thank you for being here.

My closing question of the commissioner—and I really appreciated her report—was asking her about the importance of this committee working together on this file. She did impress upon us the importance of each member of this committee working together.

As you said in your presentation, we are at a crossroads. She said the same thing. And it's a very important crossroads. We have to move not in an adversarial role, but together. So I appreciate you being here today, and I'm excited about the days ahead where we're working together.

My question is on your involvement with international obligations and commitments. You were just recently criticized for not being able to be in two places at the same time. I know how busy you are and how hard you've worked on this file. Regarding Kyoto and our obligations to Kyoto, and the other obligations, could you share with the committee what you actually have been doing on the international front since you've become the environment minister?

Hon. Rona Ambrose: Thank you for the question.

As I stated, it was a privilege and an honour to be appointed by the Prime Minister to be the chair, the president, of the Conference of the Parties to Kyoto. This has been an excellent experience, in terms of working with our partners, because as I indicated to you, we are not the only country that is facing challenges in meeting our greenhouse gas targets set under the Kyoto Protocol. We have a number of countries, and I believe it's around fifteen countries now, that are not on track to meeting their targets. What has come out of that, as a consequence, is a very strong consensus that we need to start moving forward to talk about what those challenges are, how we can face them, and what kinds of solutions we can use to address those.

Another thing that has come out of this exercise is that non-Kyoto parties are also interested in starting to dialogue with us and with other countries on this issue, namely Australia and the United States.

The other issue that's come out of this, of course, is that developing countries do not have any targets under Kyoto. China and India, for instance, are considered developing countries under the Kyoto Protocol, so another part of the discussion has become how will developing countries like China and India start to contribute to make reductions, because of course the United States, China, and India, are responsible for the largest percentage of greenhouse gas emissions in the world.

I think the important thing that has happened is that we have begun a dialogue on the international stage that was set in motion by Canada raising the profile of the challenge of meeting the first-term target, about how we are going to address these issues moving into the second period of commitment. So it has been an excellent experience for Canada. But what has come out of it for us, obviously, as a government is the need to put in place, as other countries have that have been successful in reaching their Kyoto commitments, a strong domestic agenda, and that's what Canada's clean air act will do.

● (1000)

Mr. Mark Warawa: Thank you, Minister.

Early on, when you shared that we're not going to be able to meet those targets, you said that we would have to shut down every train, plane, and automobile. Just how close were we to meeting our targets, and what did you mean by that?

Hon. Rona Ambrose: I asked the department early on to brief me on the opportunities for us to meet our targets and what that would mean. It would mean that we would have to shut down the majority of industry in Canada to be able to make that commitment, if we made that commitment here at home. The other opportunity would be to spend billions of dollars on international credits. Our government made a decision early on that we will not send money overseas to purchase international credits because of the increasing question around the lack of accountability for those projects and the real question of whether or not they're even achieving real reductions overseas.

I also asked the department to put together the economic costs of achieving our Kyoto targets through regulation only, which is exactly what Bill C-288 would entail. As you know, Bill C-288 does not have any monetary or funding attached to it, so it would have to be implemented through regulatory means alone. What that would entail, just to give you a specific example, is that would mean that electricity prices in British Columbia would increase by 40%, electricity prices in Ontario would increase by 65%, and natural gas prices would increase by over 300% in Alberta and over 130% in Ontario. These are the kinds of impacts of forcing the 6% target on Canada's industry today through a regulatory framework, which is exactly what Bill C-288 that was passed in the House last night entails.

The Chair: Thank you, Minister.

Mr. Harvey.

[Translation]

Mr. Luc Harvey (Louis-Hébert, CPC): Minister, under the Liberal government, international credits were purchased. Can you tell us approximately how much was spent on these purchases?

[English]

Hon. Rona Ambrose: I can give you some examples of the money that was spent on international credits. I have in front of me a list representing at least \$100 million that was used to purchase international credits.

I can go through the list and share it with you: \$5 million went to the Canada-China consortium; \$3.7 million to the State Development Planning Commission in China; \$2 million to the State Power Corporation of China; \$2.5 million to Global Investment Management for Panama; and \$375,000 to Paraguay.

I could go on: \$5 million was spent through the Asian Development Bank to be paid to the People's Republic, the Ministry of Science and Technology in China; \$4.2 million through the World Bank to be paid to the regional areas of China, India, and other Asian countries; \$2.3 million to the South Pacific; \$3 million to Bangladesh; another \$2 million to the State Power Corporation of China; \$1.5 million to the Government of India.

I could go on and on. There are hundreds of millions of dollars in the purchase of international credits to be able.... Some of these projects actually didn't even earn us Kyoto credits.

The problem with this is not only that this money was not spent here at home on the priorities of Canadians, on things like cleaning up sewage in local communities.... We have over nineteen

municipalities in Canada that are still dumping raw sewage in the ocean, and a small sewage facility can cost as little as \$2 million.

When we see this kind of list, it is troubling that the priorities of the Liberal Party were to spend this money elsewhere, with no plan in place. Thirteen years and four plans later, there have been no reductions in greenhouse gases; and there is no national framework for air quality or greenhouse gases. This was the only plan: to buy international credits.

The troubling thing is that, increasingly, even those people involved in the Kyoto Protocol process and with the clean development mechanism are concerned at the lack of accountability around the transfer of funds from the Government of Canada based on these project proposals. Many times private accounting inspection firms are used to validate the projects through which money is transferred to third world countries, and these firms are then paid by the project participants. The actual project participants act both as the developers of the projects and as the project verifiers at the same time.

Daphne Wysham, who is the clean development mechanism expert, said that, "You're creating all kinds of incentives for corruption", in giving a negative response.

Also, in this rush to try to certify emissions reductions through the clean development mechanism, particularly in India, the Centre for Science and Environment has uncovered breaches of Kyoto rules requiring developers to consult with local communities and to make sure there's actually accountability for these projects. His quote was, "We were really very disgusted."

The concern is that these countries also have environmental priorities, and this is not the way for us to help them meet their priorities either. So there has been a lack of accountability, clearly, and a lack of priorities in this country, and we've done nothing to help these countries achieve their local priorities either.

• (1005)

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

We're now into the second round, and this is for five minutes. I'd ask you to be very brief in your questions so the minister gets a chance to answer. I understand that Mr. Dion and Mr. Rodriguez will split their five minutes.

Mr. Dion or Mr. Rodriguez, go ahead, please.

Hon. Stéphane Dion (Saint-Laurent—Cartierville, Lib.): Good morning, Minister.

You have a very enjoyable ministry. I hope you enjoy it as much as I did.

You spoke about moving from talk to taking action. I would like to put on the record that everything you have said about toxics was in the book of the previous government. The 23,000 listed chemicals were done after years of hard work by hundreds of Canadians. I'm sure you will not try to steal the credit for that.

Because I only have a few minutes, I will list regulations that I'm surprised are not going through after eight months. I would like to know where they are.

The first one is the 45 megatonnes of reduction by the large final emitters—a reduction of 11% of their emissions. It was almost ready to go. Where are you?

The second one is about clean air. Let's talk about clean air. Where is the air quality agreement progress report 2006 between Canada and the United States that was supposed to be published in June?

Another one is on the sulphur and fuel for rail, marine vessels, off-road construction, and mining equipment. It was proposed by me and announced in a speech. Where are we?

Another is the bus standards that would require a reduction of 85% from current allowable levels of noxious emissions and 95% for particulate matter.

Another one I'd like to know about is the ozone depletion substances, including methyl bromide.

The other is on the—

• (1010)

The Chair: I would just remind you that you only have two and a half minutes and you've used two.

Hon. Stéphane Dion: Yes. I will conclude with the volatile organic compounds in paints and consumer products.

The last, last one is on recreational vehicles. Where are these regulations? Can you announce them? I want action. They were almost on my desk.

Hon. Rona Ambrose: Thank you for being here today. Thank you for your comments and questions.

What I will say is that our government has made it clear through the actions we've already taken, and the actions we will continue to take, that we are not afraid to act in a regulatory manner to deal with air pollutants, toxics, and greenhouse gases. I have maybe not raised a number of the issues in my speech that you raised, but I can assure you that actions are being taken on all those fronts.

What I will say, though, is that I was encouraged to hear you speak publicly about the challenge that Canada faces in reaching the Kyoto target. I'm sure that was difficult for you to say. I think it's very important for you to send that signal that it's important for us to continue to work with our international partners, but to also recognize that the target by your government is not achievable.

The Chair: Thank you, Minister.

If Mr. Rodriguez would like to finish off, please proceed.

[Translation]

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Minister, I am wondering why you came today. You have no plan, no targets and no timelines. Last night, you voted against Kyoto while the prime minister was attending a hockey game in Toronto, which was obviously more important to him than a vote on the environment. Yesterday, when you voted against Kyoto, you voted against international law. What kind of example are you setting by doing this?

[English]

Hon. Rona Ambrose: As I've said repeatedly, your legislation that you put forward last night, in a very, I would say, irresponsible

manner.... The environment commissioner herself said the target that your government put in place is unachievable. The target was within that legislation. We also know, and the environment commissioner stated this, there was no economic, environmental, or social analysis done for that target. Your piece of legislation included that target. I have repeatedly said this government respects the Kyoto Protocol—

Mr. Pablo Rodriguez: I'm sorry, but you don't. You're out of Kyoto.

Hon. Rona Ambrose: —and we will work with our international partners to make a contribution.

The Chair: The bill that's going to be coming before our committee and how people voted are not part of the issue.

I think if you can get on with your question, it might be helpful.

[Translation]

Mr. Pablo Rodriguez: You do not intend to participate in a national emission trading market nor to the Green Project internationally. You cut some excellent programs, including EnerGuide. So I'm wondering if you really intend to do anything about greenhouse gas reduction. What's left?

[English]

Hon. Rona Ambrose: What I would really like to do is to work with this committee on bringing forward a piece of federal legislation that for the first time is going to set the stage for a broad national framework to deal with air pollution and greenhouse gases.

I would ask you and every committee member to work with the government. You have an excellent opportunity here. As the environment commissioner stated, we are at a crossroads. The environment is an issue that Canadians want all of us to work together on. They want this committee, and they want Parliament, to show them that we want real progress and real results. They know the environmental challenges Canada faces are not insurmountable, but they know we aren't going to solve everything overnight. What they do ask from us is that we work together and show progress.

That's what our government has already started to do. Soon we will be introducing a piece of legislation that this committee will get a chance to participate in shaping as we move forward. I invite you to be a part of that, and I ask you to bring forward any of your ideas and amendments to that piece of legislation as we work through it.

• (1015)

The Chair: Thank you.

Mr. Watson.

[Translation]

Mr. Pablo Rodriguez: I'm really sorry about the kind of translation you will hear of what I say, but if I understood what the minister said, she's here to announce that she will eventually announce the time for the announcement of what she has to announce. This is what I understood, Mr. Chair.

[English]

The Chair: Let's go to Mr. Watson, please.

Mr. Jeff Watson (Essex, CPC): Thank you.

Hon. Rona Ambrose: What I would say, Mr. Rodriguez, is that I am not an environment minister of press releases and announcements. We are doing the hard work behind the scenes that Canadians expect us to do and expect this committee to do.

I again ask you, when the clean air act is tabled, to work with this government to show Canadians that all of us care about the environment and are willing to put aside partisan politics to do the right thing.

The Chair: Mr. Watson.

Mr. Jeff Watson: Mr. Chair, thank you very much.

Perhaps a little cold water for Mr. Rodriguez.

I'm going back to the transcripts from the committee with Madam Gélinas. My colleague to the right of me, Mr. Vellacott, made a very simple statement, and I'm going to quote it: "...whether the government changed, the new targets are needed."

Madam Gélinas' reply was: "That's absolutely right." It wasn't "kind of right", "maybe", or "no"; it was, "That's absolutely right." Even had the previous government won the last election and continued to govern, Madam Gélinas makes it absolutely clear that new targets are needed.

Mr. Rodriguez brought forward a bill, Bill C-288. Unfortunately, it was passed, and it's going to shackle us to the failed approach of Kyoto with respect to the timeframe and target.

The Chair: Mr. Watson, again, let's stay away from the bill; it's coming before the committee. Carry on with your question, please.

Mr. Jeff Watson: The question to the minister is this. Should we be shackled to a failed Kyoto approach in terms of the target and timeline? What are your comments on that?

Hon. Rona Ambrose: I would simply say that Kyoto did not fail this country. The Liberal Party of Canada failed Kyoto. That's exactly what has happened and what's transpired over thirteen years—four plans and no results.

This government will continue to work on moving forward with our international partners within the Kyoto Protocol, the G-8 plus five dialogue on climate change, and the Asia-Pacific partnership.

It's important, though, and I've tried to make it as clear as possible that the best way we can make a contribution internationally to this agenda is to have a strong national framework in place. Every country that has succeeded in this area has put in place a very strong domestic agenda. It is what the clean air act will provide this country.

Mr. Jeff Watson: I'm thinking of the old proverb that a dog returns to its vomit. Clearly, the Liberals haven't learned.

I want to turn to the broader part of your speech. It was not only on greenhouse gas reductions but on the need to talk about human health and the broader environmental question.

Down in Essex County, where I come from, of course, we have high miscarriage rates, high rates of respiratory ailments, and high rates of cancer. Clearly, human health effects on the broader pollution question are important.

In the last Parliament, one of the things I was very frustrated with was that whether we talked about water quality, water levels, air

pollution, or smog, the one-word answer from the Liberal Party at the time was "Kyoto". It seemed to be the panacea that was going to cure all ills. We know that's not true.

Can you elaborate a little more on everything from land conservation to water quality, and things like that? Can you talk about the broader environmental agenda, specifically with respect to human health and the importance of that?

I'm pleased the agenda is moving in that direction.

The Chair: A minute and a half, please, Minister.

Hon. Rona Ambrose: I would say we've made it very clear that the health of Canadians is what will guide our environmental agenda. I made that clear when I talked about the fact that we know the number one priority for Canadians is air quality. We are concerned about the impact of air pollution on the health of Canadians.

I also indicated, as you know, that we do not have proper reporting and monitoring mechanisms in Canada right now for air quality objectives. We do not have national standards or national objectives because we do not have a national framework.

This will be the first time the federal government will embark on a comprehensive approach from a national perspective to dealing with the issue of air pollution and greenhouse gases. It is an ambitious achievement, and it's an ambitious agenda.

When Canada's clean air act is tabled, I ask all the members of this committee to work with us to make sure the proper compliance mechanisms are put in place. We need to work with our counterparts around the House to show Canadians this is a priority not only for our government but for all of us.

•(1020)

The Chair: Thank you.

Mr. Lussier.

[Translation]

Mr. Marcel Lussier (Brossard—La Prairie, BQ): Minister, I often hear other members say in the House that Canada's emissions of greenhouse gases increased by 35%. The chart you showed us clearly indicates that the increase is 26.6%. If you add the 6% reduction target, we get 32%. Can you explain the figure of 34.6% shown on the chart?

I would also like to know how much the Athabasca tar sands contributed to the increase of 26.6%.

[English]

Hon. Rona Ambrose: Thank you for your question.

The graph you see in front of you is actually directly from the environment commissioner's report. You'll see on the right-hand side of the graph what's called the "Kyoto gap". It is 34.6%. That is what's referred to when people refer to the gap we would have to close to meet the Kyoto target.

To answer your question about the oil and gas sector in particular, as the environment commissioner pointed out, the oil sands and the transportation sector make—I believe her statistic is—78% of the greenhouse gases in Canada. So as I've said, and as you well know, we have met with both the automotive sector and the oil and gas sector in the last week to indicate to them our government's intention to move forward with legislation. These two particular sectors have the most opportunity to make environmental gains in this area, which is why they're key to our plan and key to making sure we can try to close this gap moving forward.

[Translation]

Mr. Marcel Lussier: The environment commissioner says that oil companies or simply tar sands production will double their greenhouse gas emissions by 2015, which will cancel out all reduction efforts made by the industry in that area.

How do you react to this statement by the commissioner?

[English]

Hon. Rona Ambrose: Well, the commissioner is stating something that's clearly a challenge to Canada. Canada is a net energy exporter. The fact that we have a high level of greenhouse gases emerging from that particular sector is a challenge for Canada, which is why, as I said, we've indicated to both the oil and gas sector and the automotive sector, which is another large contributor to the greenhouse gases in Canada, that they have to be a big part of our plan, and we'll be working with them moving forward.

[Translation]

Mr. Marcel Lussier: What action should be taken then?

[English]

Hon. Rona Ambrose: We need to put in place a national framework, and that includes legislative measures. As I said, I look forward to having Canada's first clean air act come to this committee to deal with this issue directly.

The Chair: Mr. Bigras, you have about a minute and a half.

[Translation]

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

I've been listening to you for some time and I have to conclude that you refuse to put in place a credits market in this country, that you refuse to integrate the joint implementation mechanism provided for in the Kyoto Protocol and that you reject the clean development mechanism.

You're saying this morning that it will be difficult if not impossible for Canada to meet the Kyoto targets. Didn't you in fact come here today to tell us that Canada's role on the national and international scenes will simply be to destroy the Kyoto Protocol instead of improving it and ensure compliance with its provisions?

[English]

Hon. Rona Ambrose: What I have said to you is that there are a number of compliance mechanisms that can help industry sectors reach goals that we set for them. The problem with the former plan was that we had an unachievable target set in place, which led to the need to use the international credit mechanism rather than putting in place a domestic agenda that would see in-house reductions by investments in technology, for example.

It's important as we move ahead that we set realistic targets for our industry sectors so that we are encouraging the maximum investment in best available technology here in Canada. That is what our government will obviously be focused on. We want to keep money here at home. We don't want to send money overseas. Industry and communities across this country need support to reach these kinds of objectives. Compliance mechanisms obviously can help with that.

When it comes to a market, I've clearly indicated that our government does differ from the Liberal government of the past. We will not create a pool of credits paid for with taxpayers' money and use that to create an artificial market, nor will we use taxpayers' money to buy international credits or fund international credit projects.

● (1025)

The Chair: Mr. Vellacott.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Thank you, Mr. Chair.

Just as a kind of preparatory note, Minister Ambrose, in reference to the comments that Mr. Dion made just moments ago, he is the former environment minister. Knowing the files fairly well, he was honest enough to acknowledge that the Liberal Kyoto targets cannot be met.

To his credit, he was also consistent, and honest enough not to show up and support unachievable Kyoto targets last night in the vote. He did not support or vote for Mr. Rodriguez's bill. I think that's important. He had his hands in the files, and he would be well aware of that, so I appreciate the consistency there.

From that I want to make a segue to—

The Chair: Mr. Vellacott, just stay away from the voting, please.

Mr. Maurice Vellacott: You have acted in a number of ways, Minister Ambrose. I'm a practical kind of person, as I think most Canadians are. You have been out and about in some very realistic ways, I think, moving to get some achievable things done for the Canadian public.

I'd like you to elaborate, or refresh our memory, on some of the actions you've taken so far on the environment during the very short period of time you've been Minister of the Environment.

Hon. Rona Ambrose: Thank you for your question.

Our government has obviously already acted in very tangible ways. We've made the commitment to Canadians to show progress and to show tangible results in things like investments in public transit, and also in investment in a transit rider tax credit, which is important to make sure that we get Canadians out of their cars and into cleaner transportation. We've made a commitment to cleaner fuels, to setting Canada's first target, and also convening a historic meeting, the first ever, of ministers responsible for renewable fuels in Canada, to set in place a national framework to encourage a renewable fuels strategy.

So we've done a number of things already. We've shown Canadians action that's tangible, that will show progress to Canadians. That is what our government is committed to doing.

As I said before, Canadians know that Canada faces large environmental challenges, but they also know that we can make steps and we can make progress. That's what this government is committed to doing.

I look forward to working with all of the committee members when Canada's clean air act is tabled, to move forward to make it stronger, and to show Canadians that we can work together to put in place, for the first time, a national framework to deal with their number one environmental priority, which is air quality, and another issue that they're very concerned about, which is climate change.

Mr. Maurice Vellacott: You also mentioned in your opening statement the review of the 23,000 substances. A lot of work has been put into that, obviously, by good civil servants who have been at this over many years, as was referenced before.

Could you share with us what you believe the completion of that review means for Canada, in concrete and tangible ways?

Hon. Rona Ambrose: As you know, Canadians are increasingly concerned about the toxic chemicals in our environment. A lot of these toxic chemicals are in the household goods and products that we use—in face creams, in clothing, in our upholstery. Our government has an obligation to make sure that we're protecting the health of Canadians by working with industry to ensure that they're not using those kinds of cancer-causing toxic substances.

The categorization process, as Mr. Dion indicated, is a process that has taken seven years to come to. On September 14, Canada became the first country to review 23,000 chemical substances that are in use right now. As I said, our government has already acted on a number of those substances by banning and restricting their use in Canada, but we also will be releasing very soon a comprehensive public action plan on toxic chemicals to ensure, and reassure, Canadians that we will be acting to protect their health.

• (1030)

Mr. Maurice Vellacott: Thanks.

The Chair: Thank you.

Minister, I know you have to be somewhere at 10:30, but we have three members—Mr. Cullen, Mr. Silva, and Mr. Harvey—who have very brief questions. I wonder if you might let them ask their questions and either get back to them or give an answer now. And they get one question each, not five minutes each.

Would you be able to stretch it that long?

Hon. Rona Ambrose: Sure. I probably have five minutes, if that's okay.

The Chair: Okay.

Mr. Cullen, your question, please.

Mr. Nathan Cullen: Wow, one question. I guess I'd better make it a good one.

Hon. Rona Ambrose: You always do.

Mr. Nathan Cullen: Oh, thank you.

The question I have is...twofold.

Voices: Oh, oh!

Mr. Nathan Cullen: The word "accountability" is an extremely important word, and it's one that gets used a lot by you.

First, when your plan comes out for short-term targets, greenhouse gas targets, when are you coming back to committee?

Second, is there a government plan to take toxics out of CEPA? Why would you want to create a new plan, a new bill, when we already have in place CEPA, which can clean up our air? Why would Canadians have to wait five more years for their air to get better?

The Chair: Now we will go to Mr. Silva. If we can just get the three questions....

Mr. Mario Silva (Davenport, Lib.): I will be very brief, Minister. Thank you for coming.

As the spokesperson for your government on environment and also as the chair of the UN's Conference of the Parties, does your government believe that climate change and global warming are the most important environmental issues facing our planet? A yes or no question.

Hon. Rona Ambrose: I think they are the most important environmental—

The Chair: Could we just get Mr. Harvey? Then we'll do all three at once.

[Translation]

Mr. Luc Harvey: You said earlier that we spent about \$100 million on international credit purchases or investments of all kinds and that we have no reports or results to justify these expenditures.

[English]

The Chair: Now, Minister, if we could get all three answers, please....

Hon. Rona Ambrose: Thank you, Mr. Chair.

Yes, accountability is very important to our government, which is why we will be introducing Canada's clean air act, which will bring a framework to making sure we can actually show progress to Canadians.

You mentioned CEPA, the Canadian Environmental Protection Act, a very important piece of legislation in Canada, but it could be stronger. We need enforced powers for reporting, for auditing, to be able to show measurable results to Canadians, and that is what you'll see in Canada's clean air act.

To respond to Mr. Silva's question, yes, I agree from a global perspective that climate change is without a doubt the environmental issue that has brought the world together, and Canada is there participating on the world stage. But as I said as well, we need a strong domestic framework. The number one environmental concern of Canadians is air quality, and as I said, it's time to move forward with a national legislative framework to address both those issues, to address air pollution and greenhouse gases.

Thank you, Mr. Chair.

Thank you for all your questions.

The Chair: Thank you.

Hon. Stéphane Dion: A point of order.

The Chair: You do have a point of order, but I can certainly understand that the minister has to go.

Hon. Stéphane Dion: I have a point of order.

The Chair: On behalf of the committee, I'd like to thank you. Certainly we know you'll be back to answer more questions.

Hon. Stéphane Dion: A point of order.

The Chair: Thank you.

Mr. Dion.

Hon. Stéphane Dion: The minister said it is in 2008 that Kyoto that will not be achievable, after one additional year of inaction by your government. This is what I have said. I want that on the record.

The Chair: This is debate, Mr. Dion.

Mr. Mark Warawa: A point of order. The meeting is over. Have you called it? Thank you very much.

The Chair: It's over, yes.

The meeting is adjourned.

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