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—
Chair

Mr. Bob Mills

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• (1530)

[English]

The Chair (Mr. Bob Mills (Red Deer, CPC)): I'm going to call the committee meeting to order.

Welcome, Mr. Layton. It's your bill that we're looking at.

Just to remind all the members, the first hour, from 3:30 until 4:30, we'll be hearing from Mr. Layton about Bill C-377. In the second hour we will have two people via teleconference.

Mr. Layton, we'd ask you if you could be approximately 10 minutes. That way we can get a round in for everybody for their questions for you. I'd like to welcome you on behalf of the committee. The time is yours.

[Translation]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Chairman, honourable colleagues, thank you for inviting me. I am very glad to be here. I am very interested in your work. I have already attended some of your hearings.

[English]

I'm here to present Bill C-377, the Climate Change Accountability Act, which I introduced into the House, as you know, in October 2006. This bill proposes science-based medium and long-term targets for Canada for avoiding dangerous levels of climate change.

It is in the nature of private members' business that these things take a long time to move their way through the process. So here we are at this point able to discuss the bill. If anything, in this case, I would say the passage of time and the events of the past year have really made it an even more ideal time to be discussing this bill. Since October last year we've had more science reports from the Intergovernmental Panel on Climate Change. We've had two plans presented by the government. Legislation has been written by a special committee. A G-8 summit has been held on the issue, and of course we had the UN conference in Nairobi as well. As we're discussing this matter here, the world is gathered in Bali, kicking off negotiations for the second phase, the post-2012 phase, of the Kyoto Protocol, which is precisely what this bill is designed to address.

Of course, today, December 11, is the 10th anniversary of the Kyoto Protocol itself. It's a chance really for us to look forward at what needs to be done. There's been a lot of finger-pointing. We all know how that goes in politics. A lot of partisan games and so on have been played. It would be good if we could turn the page on that and look to the future. Canada's record is clear. The world knows about our record. Based on the last national inventory report

numbers, Canada's greenhouse gas emissions are 33% above where they were set by the target for Canada through Kyoto.

I think everybody on this committee is in agreement that we have to deal with climate change. It's a fundamental issue. How fundamental? Well, the UN Secretary General has called climate change the biggest challenge to humanity in the 21st century. I think he's right. The global environmental outlook by the United Nations environmental program has stated:

Biophysical and social systems can reach tipping points, beyond which there are abrupt, accelerating, or potentially irreversible changes.

[Translation]

We must do our share to prevent the planet from reaching the point of no return. This should be our starting point, and it is the starting point for Bill C-377.

There is broad agreement among scientific experts that an increase of two degrees in the surface temperature of the earth, as compared to the pre-industrial era temperature, would be a dangerous climate change that would impact the entire planet. Even the government's Minister of Foreign Affairs accepts this two-degree threshold.

To obtain results efficiently, we must first have a clear orientation. Everything must be planned in advance. We must set benchmarks to ensure that we are on the right path and, to be absolutely sure, we need expert and objective monitoring of our progress. This is what we are doing with this bill.

• (1535)

[English]

We've marked out the destination, which is to avoid a two-degree Celsius increase. We've set out well in advance what the objective should be: an 80% reduction by 2050. We've identified some benchmarks along the way: a 25% reduction by 2020 and interim targets at five-year intervals, which are spelled out. And we're providing for accountability through reporting and monitoring requirements in the bill.

It's a pretty straightforward bill. Its purpose, as stated in clause 3, is

to ensure that Canada contributes fully to the stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.

In terms of Canada's contribution to stalling a two-degree temperature increase, Canada's greenhouse gas emissions will have to be reduced by 80% by 2050. That target is set out in clause 5.

This is based on *The Case For Deep Reductions*, the report by the Pembina Institute and the David Suzuki Foundation, which I believe you're familiar with. Also, I know that Matthew Bramley will be your next witness, coming in over the phone, and he will be describing his research and this report.

Clause 5 also sets a medium target of a 25% reduction by 2020, also based on that report.

Clause 6 provides that these targets and all the other five-year interim targets will be published in a comprehensive greenhouse gas emissions target plan. The first plan would have to be tabled within six months of this act receiving royal assent.

[Translation]

Regarding accountability, this bill proposes, under section 10, that the minister should regularly make statements to explain the measures taken by the government in order to meet the targets and the precise reductions that they entail.

Section 13 provides for a review of the statements and for hearing the objective opinion of experts. The current draft assigns this role to the Commissioner of the Environment. However, according to another bill, this role would be inappropriate. Therefore, we are ready to accept that the bill be amended. For instance, it could give this role to the National Round Table on the Environment and the Economy.

The targets set out in Bill C-377 match the targets set by the world's most progressive jurisdictions. The European Union is committed to a 60% to 80% reduction compared to 1990 levels by 2050. France is targeting a 75% to 80% reduction, and the United Kingdom is committed to a reduction of at least 60% below the 1990 levels. Norway is committed to becoming carbon-neutral by 2050.

[English]

In North America, these kinds of targets are also becoming quite a bit more common. California, as you know, has a 2050 reduction target of 80%. The New England states have signed on to a target reduction of 75% to 85%. The Government of Ontario has set a reduction target of 80%. U.S. Democrats are getting on board. Candidates Hillary Clinton, Barack Obama, and John Edwards have all pledged a commitment to a cut of 80% below 1990 levels by 2050 in their programs.

Backing the kinds of targets that Bill C-377 would bring into Canada would put Canada in good company with the leaders, not the laggards. Being with the leaders means that we'll be better positioned to transform our economy into the new energy economy of the future. This is where the real opportunities are.

● (1540)

[Translation]

These are the targets required by science. They are the targets set by responsible nations that understand their role in the world and their responsibility to future generations.

[English]

I might add that they are a major improvement over the targets we've seen in the government's "Turning the Corner" plan. The government says it will cut greenhouse gases by 20% by 2020, but

that's 20% below 2006 levels, meaning it's approximately 2% above 1990 levels. Its 2050 target works out to between 49% and 62% below the 1990 levels.

We don't know where these targets came from. They seem to have an element of arbitrariness to them. They don't seem to be linked to any particular calculus of the temperature impact on the planet. In fact, the government, unlike the EU, has refused so far to even take a position on the two-degree Celsius limit on global warming.

Thanks to access to information, we now know that Foreign Affairs is aware of the need to heed this limit, but the government has so far chosen to ignore that awareness or that advice.

[Translation]

In conclusion, I want to thank you once again for inviting me to table this bill. I am glad to know that you will be hearing witnesses. We are open to improving the legislation, to making it better. Above all, it is important that we strive to improve matters. The stakes are high, and we are pressed for time. We can already see the impact of climate change.

[English]

In the summer of 2006, just before introducing this bill, I was in the forests of British Columbia. I was shocked to see the devastation. I flew with some of the local people, including the owner of the mill, and I saw all the red and brown leaves of the forest. Then I flew at 30,000 feet, between the two great mountain ranges of the Rockies, and it was red as far as I could see. That was an absolutely shocking thing, to realize the devastation, the catastrophic change that has already happened.

Then this past summer I was at the Arctic Circle, up in Pangnirtung, in an Inuit community. I asked the elder what changes he was noticing. As we looked down the valley, he said, "Well, the change is in the colour. We've never seen green here before." As far as we could see, there was a green kind of moss going up the 500-foot embankments, with the glaciers just visible beyond that. I said, "You mean the elders told you there was never any green here before?" He said, "No, I mean within the last 10 years. The glaciers used to come right down, and it was all rock and ice. But now there's a huge transformation. Now we can't get access to our protein sources, the migrating animals, because their patterns have changed."

We're seeing the results. They're very dramatic. They're impacting on our planet. But we've only begun to see the changes.

On the other hand, we have so many opportunities to exploit if we could set a new direction for ourselves. I'm very, very confident that Canada could be in the forefront of some of the changes that are needed to get us to that new energy economy. I'm hoping this bill will help.

Thank you all very much.

The Chair: Thank you, Mr. Layton.

In case I forget, I will remind members that we would like your list of witnesses by Friday so we can go to work on that. I will contact the steering committee, hopefully next Wednesday, regarding that list. So be sure you have those in by Friday, please.

We'll go first to Mr. Godfrey, please.

Hon. John Godfrey (Don Valley West, Lib.): Welcome, Mr. Layton. It's good to see you here.

Depending on how this goes, I may be sharing my time with one of my colleagues, Mr. Regan.

I would like to ask a couple of questions. To some extent, there is a relationship between a private member's bill we passed last year, Bill C-288, which referred to the monitoring of the Kyoto Protocol, and the kinds of monitoring devices that are contemplated here.

What's curious about your bill is a couple of things. First of all, it kicks into action in 2015. As we all know from watching the proceedings in Bali, the first Kyoto commitment period ends in 2012. What isn't particularly evident from the bill is how it builds on Kyoto. Why wouldn't you envisage, as people in Bali are now doing, that it would pick up in 2012 rather than 2015.

● (1545)

Hon. Jack Layton: First of all, I think it is designed to fit directly with the Kyoto Protocol and Kyoto targets. Of course, when the bill was written we couldn't be sure what was going to come out of the international negotiations and how the transition, internationally, would be agreed to. We proposed that we would work backwards from the science-based targets for 2050 and a fixed medium-term target for 2020, and then the notion of five-year plans that would get started in 2015.

In light of the developments since this bill was put together, if the committee is able to determine some language that would create a smoother intersection between the end of the first period and the beginning of the next, we'd certainly be very open to looking at that.

Hon. John Godfrey: I guess what was always known was that the first Kyoto commitment period would end in 2012. Therefore, plans that would be part of the second period would have to kick in right away; we couldn't wait until 2015. When the bill was presented last year, it was known that the first Kyoto period would be over in 2012. I'm still a little puzzled by this three-year gap. Why wouldn't one want the government to produce a plan in 2012 that seamlessly moves on to whatever the next agreement will be called?

Hon. Jack Layton: Well, we would be open to that proposition. We supported Bill C-288, as you know, worked on it, and also Bill C-30. I think this suite, if you will, of pieces of legislation should be able to fit together in a way that accomplishes the goal. I think it's quite likely that coming out of Bali and those negotiations an end point of 2020 would not be a surprise, so we put a fix on that one with our 25% reduction there.

Hon. John Godfrey: Again, I'm a little puzzled by the way in which there seems to be a bit of a gap between your bill and the Kyoto period. Under the "Interpretation" section you define, under clause 2, as follows:

"Canadian greenhouse gas emissions" means the total of annual emissions, excluding emissions from land use, land-use change and forestry, quantified in the national inventory.

Now that phrase, which is sometimes called LULUCF, perhaps it's pronounced differently *en français*...as I understand it, under the Kyoto Protocol, those emissions were considered in an optional fashion. But it was agreed, if we know nothing else about the post-

Kyoto period, the post-2012 period, that in fact for the period you're talking about, that is to say, 2015 and beyond, it will be obligatory to consider those emissions. So why would you exclude from the definition of "greenhouse gases" the total annual sum of those items coming from land use, land-use change, and forestry, since, as we knew last year, at the time the bill was drafted, that you couldn't do that, you actually had to include them?

Hon. Jack Layton: Well, because we have not accepted the approach that's been taken to the definition of these sinks. We believe the reason Canada pushed, as it did, back in the day when this was discussed for that exemption, was primarily to allow Canada a somewhat easier time to address the ultimate objectives.

What we laid out here, which we would acknowledge is a very significant set of reductions over the next period of time, to 2050, was something concrete and specific that we felt there could be reasonable scientific certainty about.

I think you would probably agree with me that the calculation of the land-use change emissions and sinks is still very much an emerging science. It's difficult to have confidence in the kind of giga-tonne numbers that are flowing from those kinds of definitions at this point in the science.

● (1550)

Hon. John Godfrey: The problem we have is that it's not us, it's the United Nations Framework Convention on Climate Change, which has said that for the post-2012 period you have to include those things. If one is going to be supportive of the international UN process, that decision has been made, that train has left the station. It's not up to us if we wish to honour the international agreement that is referenced in the bill to exclude that. Is it?

Hon. Jack Layton: Well, the framework provides that it should be considered, but I don't think the fashion in which it's going to be considered has been negotiated or defined. I stand to be corrected, and I'm open to further advice from experts on that, but I don't believe that has been accomplished yet at the UNFCCC.

Hon. John Godfrey: My understanding is it was agreed previously that it will be obligatory to consider those things. It's not an option, and the international community has agreed to that.

I don't know if my colleagues have anything they wish to add to the line of questioning.

Hon. Geoff Regan (Halifax West, Lib.): I'll ask a quick question, through you, Mr. Chairman.

Mr. Layton, what happens, probably not this year, in Bali, but in 2009, for example, if there are targets agreed upon internationally that are different from this, perhaps even more stringent, for example? What would your view be on the provisions you've proposed?

Hon. Jack Layton: Parliament could always come back and revisit these numbers. I'm sure Parliament will. I can't imagine we would be in exactly the same spot in 2050, when we get there. I'm unlikely to be present at the discussion, but probably my kids will, or my grandchildren.

The approach we took was to say what does the best science say now about what the objective for 2050 should be. We turned to the scientific calculations that have been done, very well summarized and documented by the Pembina Institute and David Suzuki. This is based on pretty broad-sweeping analysis. We thought that's the best advice available from some of the best minds in the world. Let's use that as the objective at this point. I would imagine that the experts who would be commenting on the five-year plans and on our progress, and Canadians, in general, would be encouraging future parliamentarians to constantly revise the targets as more information becomes available.

I think it's fair to say, from a scientific standpoint, the 80% number is now considered a minimum. Your point that it might well be that we would have to go further could be well taken. George Monbiot's work certainly suggests a higher number, for example.

The Chair: Mr. McGuinty.

Mr. David McGuinty (Ottawa South, Lib.): Thank you, Mr. Layton, for being here. It's good to see you again, Jack.

When I first spoke to this bill in the House, I said I thought the member putting it forward was beyond reproach in terms of sincerity about the issue, so thank you for your efforts here.

I want to put a practical question to you. Are you not somewhat discouraged, given the conduct of the government in the wake of the adoption of Bill C-288 as binding law in Canada and the fact that the government has now missed two deadlines and is being pursued in the Federal Court by two NGOs to try to compel the government to do what the government is obliged to do? Aren't you a little discouraged that even if this bill were to see the light of day, the government would simply ignore it?

Hon. Jack Layton: That's always a possibility.

But because it's the kind of bill that I hope will have the support of the majority of members of Parliament, representing, I believe, a very strong majority of Canadians and Quebecers, it would be a bill the government would be forced to take more seriously than they seem to have taken the previous bill.

Mr. David McGuinty: Mr. Layton, one of the questions—I'm not sure if it was put to you by Mr. Godfrey. I think he was on the edges of it. He may put it to you directly.

One of the things that troubles me about the bill is that it calls on Canada to unilaterally vary the targets for emissions in Canada, without any mention of the penalties that would accrue to Canada and to Canadians under the Kyoto Protocol. Was that an oversight in the drafting, to your knowledge? In my reading of the bill, it doesn't really treat that issue at all.

Hon. Jack Layton: No, that's true. We didn't attempt to treat the issue of the penalties, in part because we won't know exactly what they are, in part because we won't know what any negotiations might produce with regard to how penalties are to be treated in the next phase by whichever appendix of countries. So we felt it would be premature for us to try to guess how that could be dealt with or approached.

As you may know, I have raised the issue of the penalties in the House. There's no question that under Kyoto there are consequences for not having accomplished the targets. So it may be that the work

of this committee can help guide us as far as how they should be handled. I would welcome that.

● (1555)

Mr. David McGuinty: Thank you.

The Chair: Thank you, Mr. McGuinty.

Mr. Lussier.

[Translation]

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

Welcome, Mr. Layton.

In section 6 of your bill, the first paragraph states that you want the government to prepare "an interim Canadian greenhouse gas emissions target plan". You give a yearly schedule, but I would like to have some more meat, or substance, regarding the content of the plan.

Hon. Jack Layton: Thank for your question.

I am very optimistic about the possibility of meeting these targets. I believe that there are all kinds of initiatives being proposed throughout Canada and Quebec that show that real progress can be made. Therefore, if we have a plan, for instance for renewable energy, public transit and carbon, future governments will be able to launch many initiatives for meeting the objectives.

I believe that, as policies evolve and as technologies are implemented, in 20 or 30 years, we will have all kinds of means available to us that we cannot presently anticipate. Nevertheless, for the coming years, we have tools that are available right now for reducing greenhouse gas emissions, provided the political will to do so exists.

Mr. Marcel Lussier: Alright.

You know, Mr. Layton, that the Bloc Québécois and the NDP share the same position regarding the 1990 base year. We also agree about absolute targets and the carbon exchange for exchanging carbon credits. However, there may be a difference in opinion regarding the approach, because the Bloc Québécois favours a territorial approach.

You know that the European countries have signed an agreement to share the famous so-called emissions "pie", and that some countries can increase their emissions. For instance, I see that Iceland can increase its emissions by 10%, whereas other countries are committed to reducing theirs. Nevertheless, there is a target for Europe as a whole.

Let me give you three figures. The first figure says that 596 megatons of greenhouse gases were produced in 1990. In 2005, 747 megatons were produced. According to your figures, to reduce its emissions by 25% below the 1990 level by 2020, Canada will have to get its production down to 447 megatons. Therefore, to go from 747 megatons to 447 megatons, we will have to eliminate 300 megatons somewhere.

How is this reduction to be shared on a territorial basis?

Hon. Jack Layton: By and large, the analyses were made by industry sector. These figures are available. We know, for instance, that the tar sands development is contributing significantly to the increase in emissions. Therefore, clearly, we must do something about this. Of course, the tar sands are in a specific location.

Therefore, if the committee wants to find other ways of sharing emissions while respecting the guidelines laid down by the bill, we are very interested in discussing the matter. Nonetheless, we are aiming to reduce emissions across Canada.

Mr. Marcel Lussier: Do you agree that the 300 megaton reduction target that I mentioned should be shared among the territories and provinces? Do you agree with the Bloc's theory of territorial allocation?

• (1600)

Hon. Jack Layton: It depends on where the solutions are to be found. If we can find a formula that takes territories into account—or territoriality, if you prefer—as well as the sectors that have the largest emissions, and if this formula enables us to meet our overall reduction targets, we are ready to discuss it. Nevertheless, if one part of Canada meets the reduction targets proposed by this bill while other parts of the country have a four-fold increase in emissions, we will not reach our ultimate goal. However, if the committee can help us to work out an acceptable formula, we are ready to discuss it. We said the same thing about Bill C-30 and the other proposals brought before the committee weeks and months ago.

Mr. Marcel Lussier: Section 10 states that the federal government could take measures in respect of cooperation or agreements with provinces.

What kind of agreements or cooperation would this involve?

Hon. Jack Layton: We can mention several examples that we have witnessed in the past. We have worked together to reach all kinds of objectives with very different models, be it with regard to health, post-secondary education, immigration or pensions for seniors. We have many different models. We believe that with a flexible federal approach, we can find solutions.

Mr. Marcel Lussier: What about a possible bilateral agreement with Quebec pursuant to this bill? Quebec wants to recover funds, but it wants to manage its reductions within its own framework and to reach precisely targeted objectives.

Hon. Jack Layton: It can always be done. We proposed the same thing in our bill on child care, for instance. Our proposals have been adopted by the House on several occasions.

Mr. Marcel Lussier: Have you studied the European hypothesis which just came out whereby industrialized countries should or would want to reduce their emissions not by 20% or by 25% but by 30%? Was this figure brought to your attention?

Hon. Jack Layton: Yes. We did not change the figures in our bill. It would be rather difficult to achieve those results. The Europeans began improving their energy performance a few decades ago. Therefore, they are ahead of us now.

It is up to you to discuss the targets. If scientific information shows that we must make some changes, we are ready to accept that.

Mr. Marcel Lussier: Would you also be ready to support an increase up to 30%, and by that I mean an increase in the emissions reduction target from 25% to 30%, by 2020?

Hon. Jack Layton: We must study the scientific basis of this proposal. We are currently using research by respected Canadian groups that recommended these targets.

Mr. Marcel Lussier: Do you think that it would take a long time to negotiate a territorial agreement with the provinces to share the famous so-called 300 megaton pie that I mentioned earlier among the territories and the provinces?

Hon. Jack Layton: I said that if the committee could find a formula for achieving the results aimed at by this bill, namely an 80% reduction by 2050, we are very interested in discussing it, because that is the objective we want to attain.

Mr. Marcel Lussier: In your discussions with members from various provinces, have you noticed if some provinces have particular requirements? Manitoba, for instance, is in a situation similar to Quebec's situation regarding hydroelectricity. Have you already felt any pressure from Manitoba to adopt a territorial approach to greenhouse gas reduction?

Hon. Jack Layton: The issue most often raised by Gary Doer is the need for an infrastructure that would make renewal energy, which is the preferred form of energy, available everywhere in Canada. He greatly emphasized his famous green grid. He also wants the federal government to take concrete steps. They now have an agreement with California, for instance. As far as the Manitoba government is concerned, the time has come to stop discussing and to start doing.

• (1605)

Mr. Marcel Lussier: Do I have a split second left?

[English]

The Chair: You may have one quick question.

[Translation]

Mr. Marcel Lussier: I asked whether other provinces support Quebec's territorial approach. I asked where Manitoba stood. I also think that some people in Alberta and in Saskatchewan are opposed to this territorial approach.

Hon. Jack Layton: You should speak to those governments; I cannot speak on their behalf.

Mr. Marcel Lussier: I am talking about your members of Parliament.

Hon. Jack Layton: I said that if we can find a formula for attaining the results stated in the bill, and if it has some elements of territoriality, we are open to such an option.

Mr. Marcel Lussier: Who, then, will devise this formula, Mr. Layton?

Hon. Jack Layton: We can work on it with you.

Mr. Marcel Lussier: Thank you very much.

[English]

The Chair: Good. Thank you, Mr. Lussier.

Mr. Christopherson.

Mr. David Christopherson (Hamilton Centre, NDP): Thank you very much, Chair.

Thank you, Jack. Welcome.

I want to start by asking the question you touched on when you mentioned our children and grandchildren. Again, to set the stage, from your own experience you mentioned that we're already starting to see something in the forest and the glaciers, and we see in news reports what's happening in Antarctica and the Arctic. What are our children and grandchildren facing in our cities in particular, because that's where 80% of the population is? What are they facing if we don't collectively do something? In an attempt to reach the average person, what kind of life are people looking at in our cities around the Great Lakes, but especially around our major urban centres? What sort of world are our children and grandchildren going to inherit if we don't take the kind of action that Bill C-377 puts to us today?

Hon. Jack Layton: I believe it will be a very difficult world.

It's perhaps evident from what has been happening in some of our cities. I live in Toronto. The heat waves we've been experiencing over the last number of years are becoming killer heat waves. We've had to institute heat alerts—something we never would have thought of years ago—not just for people who are homeless, but for seniors in their little rooms who can't afford an air conditioner. We're facing the consequences of the temperature change that also produces accelerated smog, so there are more diseases that people are going to experience.

Mostly, though, I worry about when the big changes start to happen: when the sea level really does start to rise. I know some of you may have looked at the computer projections. There are some Canadian scientists who have the best acknowledged projections in the world.

In a way, of course, the sea is the last part of the earth to warm. The sea is three kilometres deep, on average, and covers 77% of the planet's surface. Once it starts to heat up there are going to be very big changes, not the least of which is the increasing level of the sea. It won't be a few inches or a few centimetres; it's going to be quite a bit more significant. That's going to mean that a lot of people around the world—including many Canadians who are on the shoreline—in those low-lying deltas of the great rivers of the world, where the civilizations have assembled, are going to experience a dramatically reduced capacity to produce food as those sea levels rise. Those people are going to look at the way others are living around the world and they're going to start asking some pretty serious questions.

I represent a community that has a lot of the Bengalis who have come to Canada. About 40,000 Bengalis live right near my riding. They've just had one of the most devastating cyclones ever, and most of their country is in one of those low-lying areas.

If we get beyond the tipping point with some of the predictions that are out there, these are the kinds of countries that will simply not be livable anymore. And where are those people going to go? They're going to ask questions, and we could be in line for some very serious social and political instability, the likes of which we really haven't seen before.

On the other hand, I believe that if we take dramatic and strong action—it has to be dramatic and it has to be strong—we can avoid much or maybe all of this. This is what we have an obligation to do, especially those of us who are in the richest, most successful country in the world.

• (1610)

Mr. David Christopherson: Thank you.

There are many, particularly government members, who suggest that the economic costs are so tremendous that at this point in time—and I'm paraphrasing—it would be economically crippling to this generation to take the steps necessary to save future generations. What do you say about that choice, that it's either the environment or the economy but not both?

Hon. Jack Layton: I guess it was Robert Kennedy who said the economy is a subset of the environment. You can't have a functioning economy if there's big trouble in the environment.

My dad, who was a Conservative member of this Parliament many years ago, put up solar systems in the late sixties. He was involved in putting up some of the first wind turbines in P.E.I. and the Gaspé. He and my brother invented a hybrid car, imagine that, something he tried to convince Ford to pick up on in the seventies after the big oil crisis. Unfortunately, the price of gas had fallen back, and nobody was interested any more. Instead, the Japanese got the idea, and now everybody is buying their cars.

If we'd been out ahead of it.... We've got the Canadian minds that can be in front. There's a company now in Ontario that has one of the best solar photovoltaic-cell-producing technologies in the world. Guess where they're going to build their first big plant? They're going to build it in East Germany. Why? Because the Germans have a policy to purchase solar electricity and to have it installed on buildings and to have utilities be required, in renewable portfolio standard regulations, to purchase it, and that creates a sufficient market. They decided to put it in a high unemployment area in East Germany because they thought they could help a struggling economy.

To me, that's an example of how, if we took a different view of the economy and the new energy futures that are in front of us that we could build together, we could build a much stronger economy.

I'll close with one example. For six years I had the privilege of being the vice-chair of the fourth or fifth largest utility business in Canada. Our most profitable sector per dollar of capital invested was helping people buy less of our electricity. We made far more money helping them renovate their homes and their buildings through the Better Buildings Partnership my firm helped design. We made far more money doing that and created a lot more work in Toronto than we did by selling electrons.

I think the possibilities are enormous. Why is it that all our kids and our technical workers are having to get on planes and fly out to Fort McMurray to work in the energy sector? So much so that there aren't enough of them and we're having to fly them in from all around the world. Why not work on energy down at Mrs. Smith's house by helping her renovate her home so she doesn't have to pay the heating bills and create some construction work and create a revolving fund like we had the opportunity to be involved in at the FCM and other places? There are solutions. This is something that can help the economy.

The last fundamental principle: inefficiency is bad for business. What we're doing right now with energy is unbelievably inefficient.

Mr. David Christopherson: Further, as we speak, in Bali the government is suggesting the large emitters, the polluters, India, China, Brazil, and they've even said the Americans, have to be on board. Unless all these big entities are on board, they're not interested in your bill or the committee bill or anything else. They're not prepared to do anything, arguing why should we do something in isolation and hurt ourselves economically while those who are doing all the polluting aren't doing anything? Why would we do that to ourselves? Their argument would be, we ignore this bill until that gets straightened out and everybody else jumps on board.

How would you respond to what's happening in Bali now with that position?

Hon. Jack Layton: First, I would say it's not leadership. The old principle was to lead by example, and if what we're saying is that we're not going to follow, or respect, or adopt any real targets to reduce our emissions that are serious unless other people do, that doesn't give you the credibility on the world stage to call on others to bring these rules into place. That's number one.

Number two, I think, frankly, the position of the Chinese and these other countries is not being represented accurately. From what I know about what's happening in...just take China for example; they're already investing \$10 billion in renewable energies. Are we doing anything close to that, even though we have a very large and successful economy? I'm given to understand that the eighth richest man in China has one basic business: manufacturing photovoltaic cells.

It looks to me as though we're in the process of missing a boat here. We may all need photovoltaics on the roofs of our houses, and I think we should do that as quickly as we possibly can, but I'd prefer they were manufactured here. But if we don't get started on the innovations that are required, we're going to miss out on that opportunity and we'll simply be importing them from China, and we'll be getting the heat for our houses and the electricity for our appliances from there, through the photovoltaic cells we buy.

I also think the principle of "differentiated" responsibilities has been adopted from day one. If I'm not mistaken, I heard our own Minister of the Environment using that exact word in an interview within the last 24 hours. So it looks to me like this was a straw man from the beginning and the finger was being pointed at the so-called big polluters.

Is there a lot of pollution emanating from China? Yes. There are 1.3 billion people there. Some of them would prefer to live with

maybe an electric light bulb. I've visited many of the communities in the poor parts of China that don't have an electric light bulb; they're simply burning the wood they can gather on the floor of the little hut. Yes, they'd like to have a light bulb.

Here we are, wagging our finger at them, while we are polluting at a rate unsurpassed, pretty well, on the globe. On a per capita basis, we're in the top four. I've always believed the best way to convince people to do something you believe is right is to start doing it yourself.

• (1615)

Mr. David Christopherson: Australia, with the change in government, signed Kyoto. Some critics have said, well, that was easy for them to do; they have only a couple of little toddler steps to take and then they'll be able to meet their targets.

Should Canada have signed Kyoto, and if so, how do we deal with the fact that, thanks to previous governments' inaction and the current government's inaction, we will not be able to physically meet Kyoto? Should we sign on anyway, and if so, why?

Hon. Jack Layton: Actually, we have signed on. The question would be, are we taking out the whiteout and taking our name off the document, if I could rephrase your question? I don't think we should, because I think we did this in good faith with an enormous amount of support from Canadians. I believe Canadians want us to be part of this process.

Does it mean there will be some penalties because we didn't make the grade? Yes. Should we negotiate how those penalties are to be addressed with the other countries and show them how we'll take the next steps? Yes, we should.

Someone could correct me here, but it might well be that if we were to take out the whiteout, we'd be the only country to have actually walked away from the commitment. The Australians never actually signed but decided to sign in terms of Kyoto itself.

I think that would be a very sad day. I regard the 10th anniversary of Kyoto as an optimistic day, because I think more and more people want to see action taken. They're taking it in their own lives. People in communities all over the country are doing wonderful things. The question is, are we as a Parliament going to get behind them and encourage them with some goals and targets that can really allow people to reach a little higher? It's a little like you do if you're coaching a group of young people; you're always trying to get them to go a little higher.

I think of the people who thought about connecting one end of the country to the other with a railroad. Do you think they had it all figured out as to how they were going to pull it off? Do you think they had figured out how they were going to pay for it all? Did they do it perfectly? The answer to all those things would be no, but they had a dream about where they wanted our country to be, and they took on the impossible and they focused on it.

We do it at wartime. We've done it at different times in our history. We've done it when we've taken on certain kinds of projects, with a sense of Canadian pride and can-do attitude. I think we can do it here. I'm absolutely convinced we can.

The Chair: Mr. Warawa.

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

I'm going to be sharing my time with Mr. Watson.

Thank you, Mr. Layton, for being here. Your closing comments were that on the anniversary of Kyoto, Canadians and citizens globally want more action. We've had a decade of a lot of rhetoric, but the action has been dismal. We find ourselves 33% above the Kyoto target that Canada signed on to.

This government has taken that bull by the horns, so to speak. We have the toughest regulations and hard targets Canada has ever committed to: a 20% reduction by 2020 and a 60% to 70% reduction by 2050. They're some of the toughest targets in the world, but definitely the toughest in Canada.

You've repeatedly said that your plan is science-based. The last analogy used was the railway. They really didn't know how they were going to do it, but they had the heart and they made it happen. So that's my angle of questioning for you. You said it's science-based, but you've been very general. It sounds like, like the railway, you don't know how you're going to do it, but you're going to do it.

My first question is, have you costed your plan?

• (1620)

Hon. Jack Layton: This is a set of targets. It will be up to the governments of the day to advance plans and figure out how we achieve these targets.

Mr. Mark Warawa: I'm going to ask you to keep your answers short because I have only five minutes.

So at this point you have not costed your plan. Is that correct?

Hon. Jack Layton: That would be the responsibility of governments under this bill.

Mr. Mark Warawa: So you're asking the government to cost your plan.

Hon. Jack Layton: A plan would include a whole series of measures and steps. We presented one for Kyoto, for example. It was fully costed and we presented it to the public, your government, and the previous government. If you ever want to accept any part of it, we're open to that. This bill simply sets targets.

Mr. Mark Warawa: Thank you.

Bill C-377 looks quite familiar. It looks like a continuation of Bill C-288. In fact, some of the same phrases were used in Bill C-377 as we saw in Bill C-288.

Who drafted Bill C-377, because both bills are so similar? Did a common author draft these bills?

Hon. Jack Layton: No.

Mr. Mark Warawa: Who drafted your bill?

Hon. Jack Layton: We drafted it in the House with the help of legislative counsel. We also observed what was happening at the committee.

Mr. Mark Warawa: Mr. Christopherson presented this document at our meeting last Thursday and it was distributed—very interesting reading.

Hon. Jack Layton: Can you give me the title? I don't have the greatest eyesight and I can't see it.

Mr. Mark Warawa: It's *The Case for Deep Reductions: Canada's Role in Preventing Dangerous Climate Change*. You have that right in front of you.

What part did the author of this, Matthew Bramley, with the Pembina Institute and the David Suzuki Foundation, play in helping draft Bill C-377?

Hon. Jack Layton: We sought advice from a broad range of people. I always do that. We certainly sought his advice. We were looking for science-based advice on the best way to approach setting the targets.

Mr. Mark Warawa: Has this been costed?

Hon. Jack Layton: You'll have to ask the person who wrote that.

Mr. Mark Warawa: Okay. Are you aware that Mr. Bramley was also involved with Bill C-288?

Hon. Jack Layton: That could well be.

Mr. Mark Warawa: Is that why there is a similar part in the bill? You address clause 13, which deals with requiring the environment commissioner to be involved. You suggest that, as in Bill C-288, you'll be looking at having it amended as it was in Bill C-288.

Hon. Jack Layton: We followed the deliberations here, and if this committee feels there's a better way of handling that particular dimension, we're very open to it.

Mr. Mark Warawa: How did the targets get set? You said you drafted this bill with the assistance of Pembina. The targets in this document are the same as what you have.

Hon. Jack Layton: Yes.

Mr. Mark Warawa: Neither one has been costed. So again you've used Mr. Bramley as a consultant to help draft your Bill C-377; I think that's what you said.

Hon. Jack Layton: He was one of the people we consulted. I was quite precise in the way I expressed that, so I'd appreciate it if you'd repeat it in the same fashion.

Mr. Mark Warawa: He was involved with Bill C-377 and Bill C-288, with no costing. Are you using the targets that were from this document?

Hon. Jack Layton: Yes. And the reason is that we start with the international scientific consensus that a two-degree Celsius increase in average global temperature would create very dangerous conditions. And then the question is, how do you work backwards from that ultimate temperature change, which is modelled in all of the computer models, regarding the accumulation of energy within the earth's climate system?

• (1625)

Mr. Mark Warawa: Okay. I'm short of time.

How much time do I have?

The Chair: Your time is up.

Mr. Mark Warawa: I'm all done. Thank you so much.

The Chair: Mr. Watson.

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

Thank you to my colleague for sharing his time with me.

Mr. Layton, thank you very much for appearing. We appreciate your enthusiasm, and I appreciate your brief answers, by the way, in terms of my colleague. It allows us to get a little bit more in, in terms of questioning, and I hope we can continue that.

This is essentially a post-Kyoto bill, I think it's fair to say, so let's talk a little bit about post-Kyoto if we can.

Arresting the rise in global greenhouse gas emissions—many have declared it's urgent and we agree with that. Do you agree it's urgent to arrest the rise in global GHGs? By what year are you hoping that's achieved?

Hon. Jack Layton: First of all, I agree with you that it's urgent. I think it has to happen much more rapidly than—if I may say, with due respect—the plan the government lays out.

We would still have a 2% increase in emissions under the plan, so I'm worried about that.

Mr. Jeff Watson: I'm looking for a year when you think we should be arresting global GHG emissions.

Hon. Jack Layton: You mean when we should be stopping the growth and turn the corner towards an actual reduction in Canada?

Mr. Jeff Watson: Global greenhouse gases. I'm talking about post-Kyoto.

Hon. Jack Layton: Globally? It certainly needs to happen within roughly the decade following Kyoto, by most of the scientific analysis.

Mr. Jeff Watson: I think they've testified before the committee that it's 10 to 15 years.

We've also heard testimony by some before this committee that developing nations like China, South Korea, and India shouldn't take on a hard target for up to 20 years, as has been testified here. Do you agree with that position?

Hon. Jack Layton: I'm more focused, and this bill is focused, on what we should do in Canada. I think this focus on what other countries are required to do, without us undertaking the kind of action we're insisting others take, is wrong. That's why we have this bill here.

Mr. Jeff Watson: Does this mean you agree with that position or don't agree with that position? That was the question.

Hon. Jack Layton: Regarding the nature of targets for these other countries?

Mr. Jeff Watson: Should China and South Korea be given a pass for 20 years on emissions?

Hon. Jack Layton: First of all, they're not asking for a pass. We don't support them being given a pass. We have always supported the language of the UNFCCC and the Kyoto Protocol, which called for differentiated approaches. But I don't believe there are any requests for people to take a pass.

Mr. Jeff Watson: So they should have a hard target for all global emitters?

Hon. Jack Layton: There should be targets. I'm not quite sure what you mean by a "hard target" so you might want to be precise on that. We don't have a hard target here in Canada, and if I may say so, your government hasn't proposed such a target. It's intensity-based; therefore it's about as far from a hard target as you can imagine.

Mr. Jeff Watson: I'll disagree with you on that one.

If we give major emitters like China and India and Korea up to 20 years before taking on an absolute target, IPCC scientists have said that global emissions are still going to rise. So I'm having some trouble squaring the circle, because if we have to arrest the rising global GHGs in 10 to 15 years but we give major emitters a pass, it's not going to happen.

In fact, we heard that if we were to stop everything in Canada and the United States, for example, global GHGs would still rise. So that question still has to be answered out there.

I want to move on to another issue here, and that's the "offshoring" of manufacturing jobs. You and your party have decried the offshoring of manufacturing jobs, yet by taking a position in alignment with environmentalists that countries like South Korea or China don't have to factor in the compliance costs for taking on an absolute reduction target in the post-Kyoto period, you're allowing a competitive advantage to continue that's going to allow offshoring to continue over the next two decades.

Don't you find that to be a hypocritical position, to decry offshoring on one hand and yet allow competitive advantage by non-compliance with environmental costs? Isn't that a contradiction, Mr. Layton?

Hon. Jack Layton: We're losing jobs to places that do have targets and have decided to make their industries more efficient and to build products that consume less energy. So frankly, if we were to get on that track, we'd be in a much stronger economic position.

What we're doing here, unfortunately, is giving our big polluters in Canada a pass. That's what we've done so far with the actions.

Mr. Jeff Watson: I'd like to share a quote from somebody you probably know extremely well. I'll read the quote first. It was on cbc.ca, April 26, 2007:

If we throw everybody out of work and we shut the whole economy down in Canada—we contribute about two percent of the greenhouse gas problem—that will be offset by China, the United States and others, so there'll be no change at all.

...Let's just transfer all the jobs out of Canada to those countries and we'll all sit around and try to figure out how to buy their vehicles while their people are working and ours are unemployed.

That, of course, was Buzz Hargrove, the head of the CAW.

I guess the question comes down, Mr. Layton, to who auto workers should trust when it comes to talking about climate change targets and job security in existing industries, high value-added industries, like the auto industry. Would that be you or Mr. Hargrove?

•(1630)

Hon. Jack Layton: Well, we presented a green car strategy together four years ago. If it had been adopted, I dare say that some of those jobs we were hoping to keep in Canada might have actually stayed, because we'd be building the kinds of cars Canadians increasingly want to buy. We'd be doing it here. We had a complex program—I won't go through the details of it—but I announced it with the gentleman you mentioned, as well as with the head of Greenpeace.

Mr. Jeff Watson: That quote was from earlier this year, Mr. Layton, so we'll take Mr. Hargrove on that one.

The Chair: Thank you, Mr. Watson.

Just so you can have a merry Christmas, I'll let you know that there are some good things happening in Canada. In my riding, for instance, we've been capturing CO₂ for about 10 years—100% from Dow, 100% from NOVA—and sequestering it. We have a wind farm that started out at 130 windmills producing 82 megawatts and is now 37 producing 82 megawatts. And I'm installing 28 solar panels on my house. That's just so you can see that people are doing things. I could then talk about garbage.

Thank you very much, Mr. Layton, for being here and enlightening the committee. I'm sure they can ask you other questions as time goes along. Thank you very much.

Hon. Jack Layton: Thank you very much. That was a good discussion. I appreciate it.

The Chair: We'll go directly to the next session. We've asked our guests to take roughly seven minutes, and if possible, to cut it a little short so that we give every member an opportunity to get in and get through this.

I believe we have them on the line. Okay, we have them both. That's the magic of technology.

Matthew, I understand it's 4:30 a.m. where you are, so thank you for the early morning. Oh, I've been corrected; it's 5:30. Anyway, welcome.

I would ask you, Ms. Donnelly, if you could begin for about seven minutes, and then we'll go to Matthew.

Ms. Aldyen Donnelly (President, Greenhouse Emissions Management Consortium): Thank you.

As a quick question, does the committee have my submission in front of them?

The Chair: We're passing it out right now.

Ms. Aldyen Donnelly: And are we passing out two pages or more?

The Chair: More.

Ms. Aldyen Donnelly: Okay. Thank you.

I just want to make a few remarks, and I hope they are constructive.

When I'm asked the question of what would Bill C-377 mean, I do come at my response from a rather narrow perspective. The question I'm asking is, is there anything happening in this bill that I think might motivate the private sector to invest more in a carbon-free

future than they are investing at this time? Unfortunately, when I look at the bill, my response to that question, the question that obsesses me, is no. So I want to go back and ask why it is no.

The reason it's no is because industry saw the Government of Canada commit to stabilize emissions at 1990 levels by 2000, and we did that in 1992. Interestingly enough, very shortly after the Government of Canada made that commitment, the Government of Canada actually slashed funding for the EnerGuide program, a program initiated previously under Brian Mulroney's Green Plan. Then in 1997 we committed to cut emissions to 6% below 1990 levels over the 2008 through 2012 period, and industry waited for a long time to learn how government was going to convert that commitment to industry obligations. In 2005 the government gazetted an industrial regulation that required us to cap our emission intensity facilities at 13.5% below 2004 levels by the end of 2012, and that gazetted regulatory proposal created an unlimited supply of emission rights to new facilities, as long as the facilities met a new source standard called a BARCT standard. Then three years later, in 2007, we're looking at the prospect of a regulation that would require facilities to reduce emission intensity by 16% below 2006 levels by 2010, with restrictions and a reduction level applying to new facilities.

When you're in a private sector and you're looking at that history, and now you add the prospect of yet another emission target to the list, it doesn't get money to flow. I'm wondering if I could maybe ask the committee to look back and ask, are there two or three bits of infrastructure of information that you, the committee, can put in place, which information, once in place, helps us move forward faster at least this time? On the first page of my submission I'm asking myself this question, whether it's for this bill or any other bill if and when government produces a plan for compliance with the law. Have we agreed on some standard measures against which we're evaluating the plan? So every year when there's a budget, when we're trying to form our opinions about what the budget means to us, we can read clearly what the current and future gross domestic product forecasts are that the Minister of Finance is using. We may or may not agree with those forecasts, but we know the context in which the plans are being built, and we can evaluate them and what they mean for our business planning purposes.

On my front page I'm showing you that over the last year, at least, the four—actually more than four—leading assessments of plans that the government has been producing have been published, and they use a very wide range among them of business-as-usual emission forecasts. If we're in business, we can't compare the evaluations that are before us because the business-as-usual forecast is an eternally moving target.

•(1635)

For us to move forward, I wonder if this committee might sit down and say that maybe one of the bits of infrastructure we need, however imperfect—and maybe you want three sets of them—is an official Canadian business-as-usual forecast, so that all of us know what the ground is that we're trying to shift.

The second thing I put in front of you, on the second page, is an estimate of what Bill C-377 means in terms of burden by province. This is a simple analysis. It basically starts with the National Energy Board reference case forecasts for all of the provinces and the National Energy Board population forecasts. Then it takes the goal of Bill C-377, and given those emission forecasts and those population forecasts, it explains what it means if we apply the obligation to reduce by 25% from 1990 levels to each province across the board, without differentiation.

Every time anybody puts anything forward, I think it's important to start with a page that looks like this.

As a final decision, this is not my recommendation for a business-as-usual forecast to use as our baseline—I understand that no one is proposing undifferentiated targets within Canada—but my view is that if you stare at that table on page 2, I think you see some enormous challenges that can divide the country very.... It frightens me, and it frightens me that we're not looking at these realities. What it says is that with undifferentiated targets, we're asking Canadians to cut emissions somewhere between 27% and 54% per capita by 2020.

To me, it's not the scope of those reduction objectives that's so scary, but the range of 27% to 54%. If you look at where the biggest burden is placed, it's Saskatchewan. If we move forward on further discussions without having this kind of material in front of us and without recognizing that we haven't had a plan in the last 15 years of trying because we're not openly looking at regional implications, when we try to get civil servants to do it without guidance from Parliament, it can't be done.

This is big; this is far bigger than equalization or anything else.

I'm running out of time, but there are two other bits of infrastructure that need to be worked on, regardless of what target you're thinking about; you don't have to have agreement on the target to work on these two bits of infrastructure.

One is answering in your own minds the question of what price is too high. Yes, there's a lot of solar being developed in Germany, and that's great, but Germany guarantees solar power providers a minimum of 10 years at \$550 a megawatt as the price paid for that solar. That's \$550 a megawatt compared to, say, \$5 a megawatt, which is the normal market price in Ontario right now.

It's not my intention to express the opinion that \$550 is too much. My question is, what's too much, as far as Canadian politicians are concerned, or is there no limit to the price that should be paid? That's a reasonable answer, but we need to know; we need to hear people tell us what's too much or whether it can be too much.

• (1640)

The Chair: Ms. Donnelly, I don't like to cut you off, but we're over your time. Could you wrap up very quickly, please?

Ms. Aldyen Donnelly: Sorry. Yes, of course.

The last comment is that the next thing is an investment strategy. The thing I'll leave you with is this: in 1994, eight of the 11 cleanest vehicle powertrains certified by the California Air Resources Board were manufactured entirely in Canada; today not one of the low-emission powertrains certified by the California emissions board is manufactured in Canada.

We had a clean energy infrastructure emerging in Canada in 1994. We didn't lose it because we didn't have a target; we lost it because we didn't have a national investment strategy. I ask you if the committee's time is maybe not better spent on starting to work that infrastructure into our frame of reference.

The Chair: Thank you very much.

We will go to Matthew Bramley, please.

Mr. Matthew Bramley (Director, Climate Change, Pembina Institute): Thank you.

Good afternoon, and thank you for having me again.

I'd like to start by congratulating Mr. Layton for his leadership and his vision in introducing this bill. To my knowledge, it's the first attempt to ensure that Canada is legally required to do its fair share toward the prevention of dangerous climate change, which is the ultimate objective of the United Nations Framework Convention on Climate Change, which has been ratified by almost every country in the world.

A little over two years ago, the Pembina Institute and the David Suzuki Foundation decided we needed to understand the greenhouse gas emission reductions Canada would have to achieve to play a full part in meeting the UN framework convention's objective. The result was our report entitled *The Case for Deep Reductions: Canada's Role in Preventing Dangerous Climate Change*, of which you should have copies.

Our analysis in that report followed a logical sequence of questions: Number one, based on scientists' projections of global impact, how much warming would be dangerous? Number two, to avert that amount of warming, at what level would atmospheric concentrations of greenhouse gases need to be stabilized? Number three, to stabilize concentrations of gases at that level, by how much would global emissions need to be reduced? And number four, to reduce global emissions by that amount, by how much would industrialized countries' emissions need to be cut?

To address the first of these questions, it was already widely accepted two years ago that to have sufficient confidence in avoiding catastrophic impacts, the world must strive to keep average global warming within two degrees Celsius relative to the pre-industrial level, and today, support for a two-degree Celsius global warming limit is significantly broader. According to the recent Bali Climate Declaration by Scientists, the two-degree limit must be the prime goal of the next global climate treaty. This declaration is signed by distinguished Canadian climate scientists, including Corinne Le Quéré, Richard Peltier, and Andrew Weaver.

I don't have time to take you through each of the stages of the analysis in the case for deep reductions, but our final conclusion was that Canada needs to cut its greenhouse gas pollution by 25% below the 1990 level by 2020 and by 80% below the 1990 level by 2050. These are the same targets Mr. Layton has included in Bill C-377.

This year, the Intergovernmental Panel on Climate Change, IPCC, confirmed these targets are in line with science. The IPCC's fourth assessment report showed us that to have a reasonable chance of avoiding two degrees of global warming, industrialized countries need to reduce their emissions by 25% to 40% below the 1990 level by 2020 and by 80% to 95% below the same level by 2050. These numbers are shown in table 1 of the United Nations technical paper, of which you should also have copies. Please note the targets in Bill C-377 are at the low end of the IPCC's ranges; in other words, they're conservative targets.

Can Canada reduce its emissions by 80% below the 1990 level by 2050? Achieving that target while maintaining normal levels of economic activity implies moving to a nearly emissions-free energy system. There is every reason to believe this is achievable if Canada implements strong policies that encourage maximum use of low-impact renewable energy, complemented where necessary and appropriate by higher-risk technology such as carbon capture and storage. The case for deep reductions outlines a range of evidence why deep emission cuts by 2050 are feasible from the perspectives of technology, cost, and competitiveness. Table 1 of the UN technical paper citing the IPCC shows that in the scenarios compatible with limiting global warming to two degrees, global GDP could be up to 5.5% smaller in 2050 than in a scenario in which emissions are not controlled. In other words, about two years of GDP growth might be lost in half a century. That's a small effect, and it's one that could disappear altogether as a result of technological innovation.

• (1645)

In this case, I do not believe that the targets in this bill can be justifiably weakened on the basis of anticipated financial costs of making emission reductions. The expected global costs of climate impacts, beyond two degrees of warming—and these are costs to people, for economies and for ecosystems—are simply too great. I would suggest that a country with natural, financial, and intellectual resources as abundant as Canada's must simply decide that this is a task that must be achieved and get to work.

Do we need to set these targets in law and require that measures be taken to achieve them? Yes, we do, because there have been and continue to be too many examples of federal governments adopting greenhouse gas targets and then not doing what is necessary to meet them.

Canada would not be alone with the approach proposed by Bill C-377. It is quite similar to that of the U.K. government's recently published climate change bill.

Some might say that Canada should not take on the science-based targets in Bill C-377 until all other major emitting countries do so. I would answer that this is not a responsible attitude, for two reasons. First, Canadians want to show leadership and ambition in solving this problem. The government has also expressed its desire to be a leader on this issue. Second, we have the resources to do this.

Countries such as France, Germany, Norway, and the U.K. have already adopted targets similar to those in this bill because it's the right thing to do and because they believe they can achieve them.

Others might argue that Canada has special circumstances that should result in our taking on less stringent targets. I suggest that they should specify which countries should have to do more to compensate for Canada's doing less. I would also remind you that the targets in this bill are already at the lower limits of what the IPCC says industrialized countries must achieve for the world to have a chance of avoiding two degrees of global warming.

To wrap up, this is not a political bill, in my view. It's a bill that's about basing policy on science and ensuring that Canada does not transfer our responsibilities to other countries. I see no reason why it should not be supported by all parties.

Thank you.

• (1650)

The Chair: Thank you very much.

We'll go directly to Mr. McGuinty, please.

Mr. David McGuinty: Thank you, Mr. Chair.

Thank you both for being on the line.

Good morning to you, Mr. Bramley.

Let me begin with Ms. Donnelly. Ms. Donnelly, I need some clarification. This long report you sent us, of about 12 or 15 pages.... First of all, who is WDA Consulting Inc.?

Ms. Aldyen Donnelly: That's my corporation.

Mr. David McGuinty: Okay.

Was this report prepared for this committee in specific response to Bill C-377?

Ms. Aldyen Donnelly: Yes, I put this together over the weekend—as you know, our invitation came late—though most of the slides are slides I had already submitted to the Bill C-30 committee earlier, in February this year, as a witness.

Mr. David McGuinty: I was going to say that I recognize a lot of these overheads from Bill C-30 and was wondering how they in fact apply to the specificity of Bill C-377. Thank you for clarifying that.

Can I ask both of you to comment where Mr. Bramley left off?

Mr. Bramley, earlier the parliamentary secretary raised questions about you and about whether your fingerprints were all over this bill, as he implied they were all over Bill C-288. I think he's trying to draw a connection; I'm not sure whether he's trying to make a more pointed statement about it. But it's curious that it falls hard on the heels of the tongue-lashing that environmental NGOs received yesterday from the minister in a very public way about their being responsible for Canada's situation today.

I'd like to ask you both, though, about the comments Mr. Bramley made about science.

Mr. Bramley, you said your *Case for Deep Reductions* report and Bill C-377 were aligned with science, that this was a science-based approach.

Can you help us both, please, understand, in the wake of the comments made by Professor Weaver two weeks ago about the government not relying on the science—in fact, to quote him, he said he thought the government was drawing its scientific inspiration from an Ouija board.... The IPCC president said yesterday in Bali that the government is not following science, certainly not informing its negotiating position with science.

Can both of you help us understand, in the case of Bill C-377, and in the case of your overheads, Ms. Donnelly, and of your report, Mr. Bramley, is the government's climate change plan, which is the foundation we're standing upon in Bali today—the “Turning the Corner” plan—in fact informed with science, and is it based on the consensual science that now exists around the world?

Mr. Matthew Bramley: I don't believe that any government of Canada to date has yet proposed or committed to greenhouse gas targets based on science.

Speaking to the targets that the present government has laid out for Canada's emissions by 2020 and 2050, there are no public documents, to my knowledge, that the government has put out that explain where those targets came from. I'm referring to the 20% below 2006 by 2020 and the 60% to 70% below 2006 by 2050.

The government has not, to my knowledge, attempted to claim that those are science-based targets, and I'm not aware of any science on which they could be based.

Mr. David McGuinty: Ms. Donnelly.

Ms. Aldyen Donnelly: As you know, I've worked full-time on this file since 1996 and would not have done so unless I personally thought climate change was the most important issue mankind faces. Beyond saying that, the point I'm trying to raise is that I'm not sure any of that matters right now. The fact is that the proposed regulated industrial caps the Government of Canada has on the table right now are tougher than those anybody has proposed before in Canada, and we're still going through the process of having difficulty getting those regulations to be fact.

I'm not arguing that they're good or bad, sufficient or insufficient. I'm saying there are very good reasons why things are not progressing on a regulatory front in Canada that have nothing to do with the debate over the science. The very good reasons, I think, jump off my page 2 in what I handed out today.

The very good reasons are that when you go to translate the theory of a target in Canada to the allocation of legally binding obligations to reduce—on the part of Canadian provinces, corporations, and individuals—you run into the same difficulty we see in Bali right now: the need to facilitate a very difficult interprovincial negotiation that has never been started by any government up to now.

I don't think that's a science denial story. We haven't put the information in place for both politicians and the people to constructively engage in the discussion that needs to take place. We need to ask whether we are asking the people of Saskatchewan to reduce more than any other people in the country, and if not, which

province is going to take some of the burden off the back of Saskatchewan.

If we're not having that dialogue openly, it won't matter what target we put in any law from now on; we're still not getting anywhere.

• (1655)

Mr. David McGuinty: The thrust of your argument, Ms. Donnelly, if I can translate it into English for me, is that you're basically saying we had better be cognizant of the fact that we're going to have interprovincial differences. We had better actually convene, for example, a first ministers meeting for the first time in two years and start having a dialogue about these differences. You're certainly not saying, as I understood you, that the Canadian climate change plan domestically and our negotiating position in Bali ought not to be informed by science.

Ms. Aldyen Donnelly: I'm not agreeing with your position that they are not informed by the science.

Mr. David McGuinty: Do you have any evidence to show that the plan is informed by it?

Ms. Aldyen Donnelly: I don't have any evidence to show that it isn't.

Mr. David McGuinty: Have you seen any analysis conducted by the government, based on the science, to achieve the 20% by 2020 using 2006 as a baseline?

Ms. Aldyen Donnelly: No, I haven't. I have seen the analysis that I summarize on page 1 of my submission to you. If all of those reports used different baselines from those they used, they would come out with different outcomes. If I did analysis, it would have a different outcome from that of any of the four that most people cite.

The first bit of science we need to worry about right now is what the science is that's informing our own forecasts of our own emissions.

Mr. David McGuinty: Mr. Bramley, have you seen any analysis or econometric modelling—anything done by the Department of Finance, anything contracted out to consulting firms—that would backstop the government's domestic plan, and of course the plan underlying our negotiating position in Bali? It is linked to Bill C-377, of course, because Bill C-377 speaks directly to the question of science. Have you seen a shred of analysis anywhere by the government, in any line department, that helps us understand how the government arrives at its purported cuts by 2020?

Mr. Matthew Bramley: In the documents that the government has published, there is reference surrounding the government's 2020 target for Canada's emissions. There is reference to preliminary economic analysis, but there are very few details given. I think it's a very interesting question to see whether the government would like to table, publicly, an economic analysis that explains to us why 20% below 2006 by 2020 is the correct target, why that particular target was chosen, and why we couldn't do more, because I haven't seen any such analysis.

Mr. David McGuinty: I appreciate that, Mr. Bramley.

Maybe this is a good opportunity to suggest that the parliamentary secretary could ask his minister to table the analysis, including the preliminary analysis you say was referred to, which I've never seen and journalists have never seen. In fact, five or six different groups have been asking for it, and we're still waiting for it in this committee. So if either of you comes across it, could you please perhaps forward it to the committee members?

Thank you so much.

The Chair: Thank you, Mr. McGuinty.

Mr. Lussier.

[Translation]

Mr. Marcel Lussier: Thank you, Mr. Chairman.

Ms. Donnelly and Mr. Bramley, welcome.

My first question is for Ms. Donnelly. Your table on page 2 shows a breakdown of greenhouse gas emissions by province for the year 2005.

What did you have in mind when you proposed the year 2005, given the fact that Bill C-377 consistently refers to 1990?

• (1700)

[English]

Ms. Aldyen Donnelly: I got your question until your last two sentences. I'm not sure I understood it. Would you mind repeating it in English?

[Translation]

Mr. Marcel Lussier: I will repeat my question to Ms. Donnelly.

Your table provides a breakdown by province of greenhouse gas and CO₂ production, with 2005 as the reference year.

Why did you choose 2005, and not 1990, which is the base year for Bill C-377?

[English]

Ms. Aldyen Donnelly: Thank you for asking that question.

The numbers in this table are based on the reference point for calculating the reductions as 1990. What I was trying to show you in this table is what that reduction goal represents relative to what the actual emissions were in 2005. So I didn't adjust the proposed target at all. This represents what is proposed in Bill C-377.

The point I'm trying to make is that 2005 is the last year for which we actually have full data estimates. So for the company or the person on the street, what matters is what the target represents in terms of their obligation to reduce from what their life is today.

[Translation]

Mr. Marcel Lussier: Ms. Donnelly, do you have the figures for 1990?

[English]

Ms. Aldyen Donnelly: I do, and I'd be happy to send any revision to this table you'd like, with any different baseline. I'd be happy to do that.

[Translation]

Mr. Marcel Lussier: Can you do the same exercise and provide a breakdown of reduction targets by province up to 2050?

[English]

Ms. Aldyen Donnelly: I could if I were using another set of business-as-usual forecasts. The forecast I elected to use here was the National Energy Board's forecast, which goes out to only 2030. But what I could do, if you can wait until next week, is not only send you this table, but send you a whole Excel workbook that has all of the data in the table. It's not very much work for me to build a couple of business-as-usual forecasts in it so you can decide which one you want to work with. And certainly I can take at least one out to 2050 for you, so you can then move the numbers around however you want.

• (1705)

The Chair: If you could please send that to the clerk, then all members could have a copy.

Ms. Aldyen Donnelly: I'd be happy to do that.

[Translation]

Mr. Marcel Lussier: Ms. Donnelly, the last column on the right shows carbon reductions from 2000 to 2005. Are these real reduction figures? For instance, the figure for Quebec is -15.7%.

[English]

Ms. Aldyen Donnelly: They're real figures to the extent that you believe Statistics Canada's estimates are real figures. They're good enough for me.

I'm glad you've pointed to that column, because I put that column there for a reason. I think when all Canadians are looking at a table like this, the last two columns raise a very important question, and I think this points to one of the disconnects that's happening in our national debate. When some people look at those last two columns they quite reasonably say, "Look at how well we've done over the last five years. We shouldn't have to do any more for a while." Other people would look at the same numbers and say, "Look, the kind of reduction we're talking about asking you to do from now on is just business as usual for you." We could do the last 10 and 15 years too, and I'll put that in the spreadsheet I send you.

And I think those columns are very important, not for what they tell you to think, but in fact for what you learn about how people look differently at the same numbers.

[Translation]

Mr. Marcel Lussier: Ms. Donnelly do you have the figures for each province for the period from 1990 to 2000?

[English]

Ms. Aldyen Donnelly: Yes.

[Translation]

Mr. Marcel Lussier: Now then, getting back to the last column on the right of your table, all of the provinces have negative carbon reductions, except the Yukon, as it contributes very little to Canada's emissions. Does this mean that—

[English]

Ms. Aldyen Donnelly: And Saskatchewan.

[Translation]

Mr. Marcel Lussier: It is 7.9. Alright. I had not noticed this figure.

Does this mean that most provinces have made considerable efforts since 2000 to reduce their greenhouse gas emissions? We have not heard the government say anything like this since 2000 about greenhouse gas emission reductions.

[English]

Ms. Aldyen Donnelly: I can't speak for government. But speaking for industry—not that I'm mandated necessarily to represent any companies—when you come to me and say I have to reduce my emissions 6% below my 1990 baseline or 25% below my 1990 baseline or 10% below my 2000 baseline, the first thing I do to figure out what that means to me is say, “What does that number equal relative to my current emissions?” Anyone in the private sector trying to respond is always converting whatever standard you are proposing to a standard relative to the most recent year for which they have reasonable estimates for their own operations.

I don't know what government's motivation is to go to a recent-year baseline, but that's a practical way to represent the requirements you're imposing or asking us to deliver to. That's completely separate from how you'd pick those targets.

[Translation]

Mr. Marcel Lussier: I have one final question for Mr. Bramley; it will be very brief.

Mr. Bramley, are you there?

• (1710)

Mr. Matthew Bramley: Yes.

Mr. Marcel Lussier: Section 3 of the bill deals with the stabilization of concentrations. The table you sent us shows that CO₂ concentration is still on the increase.

Do you believe in stabilizing greenhouse gas concentrations in the atmosphere?

Mr. Matthew Bramley: I think that it is crucial for the whole world to aim at stabilizing greenhouse gas concentrations in the atmosphere at a level that will meet the objective of the framework agreement, in order to prevent dangerous climatic changes.

Mr. Marcel Lussier: Thank you.

[English]

The Chair: Merci.

Mr. Christopherson, please.

Mr. David Christopherson: Thank you very much, Chair.

Thank you both very much for what you've gone through, if it's 4:30 in the morning there. We appreciate very much your taking the time and effort.

Ms. Donnelly, you mentioned the term “science denial”. Along that vein, so I understand our starting point, are you in agreement with the widely held view by most scientists that two degrees is the dangerous climate change trigger point?

Ms. Aldyen Donnelly: I'm personally of the view that I'm an economist by training and I'm not confident to express an opinion on chemistry and biology. I am saying that in 1996 I personally determined that this was the most important issue of the day and the one issue I wanted to work on. So my concern is more that we really haven't gotten off the mark, I would argue, either domestically or internationally.

I'm more concerned about how we get a change in how our economies work. I'm confident that if we implement the right measures, we will improve faster than anybody's forecasting. If we get our measures right, it will be a good thing that we improved, even if the science on climate change proves wrong in the future.

Mr. David Christopherson: Okay. I hear you on that.

I must say it's a little surprising, given that, if I understood correctly, one of your baseline arguments was that we need to know the baseline of where we're starting from. It would seem to me that if you need that piece of information, then the other bookend to it is, what is the target you're trying to avoid so that you have that distance? But I hear what you're saying.

Ms. Aldyen Donnelly: I want to be clear. You've never heard me argue for or against any target, and you will never hear me express an opinion for or against any target. The question I keep putting before you is this. What do you need to be liberated so as to move progressively and get going towards any target?

Mr. David Christopherson: Fair enough.

Another question to you, if you would, please.... Just for the sake of argument, if the big emitters that our government is suggesting have to be onside or we're not going to do anything, if that doesn't happen and we don't do anything and they don't do anything, how do we deal with this?

Ms. Aldyen Donnelly: I'm trying to answer that. I don't think “do nothing” is in the cards in any future. The question is, how will Canada's emissions reduce? Will they reduce because we transform a vibrant carbon-intensive economy to a vibrant not carbon-intensive economy, or does our economy transform, as Europe has, through offshoring manufacturing?

It's really important to note in the numbers that while Europe's continental greenhouse gas emissions have gone down, Europe's global greenhouse gas footprint has gone up, because Europeans are consuming more fuel, more electricity, more coal, more cars, more appliances, and they're making less.

We don't achieve or contribute to the global objective of global emissions reductions if all we do is what they did. We in Canada actually have to figure out how to do something no other country has done before. I think we can do it, but we have to be staring at real numbers.

Mr. David Christopherson: Thank you for that.

Mr. Bramley, with regard to what's going on in Bali right now, we're getting reports, of course, that we have been receiving the "fossil of the day". I think one day there were three to give out and we got them all. A lot of Canadians are embarrassed that Canada is being held up in this light around the world, particularly since most of us have seen Canada as a nation in the family of nations, to be, if not the strongest and the biggest, then certainly the most respected. It's very embarrassing for a lot of us to see this happening.

Can you give us a sense of just how bad that is, how bad Canada is looking right now as a result of the inaction? Also, in my questioning of Jack, I asked if we were going to sign on to Kyoto. We've done so bloody little—nothing—and we're so far behind, it seems as though we haven't signed on. Of course, we have signed it, but we haven't done anything about it, which is another embarrassment.

Jack's recommendation was that we should honour the signature we have on the document. We should pay whatever penalties are necessary and get on with the job. Do you agree with that? Do you see some way we can redeem ourselves as a respectful nation in the eyes of the rest of the world vis-à-vis Kyoto?

• (1715)

Mr. Matthew Bramley: Well, I won't comment further on the different criticisms there have been of Canada. I think you've all seen that in the media.

One way the government could approach this is to say that the targets and policies we've advanced to now are a starting point. They're what we're willing to do unilaterally, whatever happens. The government, Minister Baird, could announce right here in Bali that he's willing to substantially strengthen Canada's targets, to bring them closer to the science, and to strengthen, particularly, the policies to support those targets, in the context of a Canadian contribution to the global cooperation, going forward over the next two years, over the course of the negotiations in Bali.

Again, Minister Baird has made some statements coming into Bali and while he's been here that have sounded very hardline. There have been statements about absolute binding reductions by countries with per capita emissions and wealth five to ten times lower than that of Canada.

Also, he issued a news release a couple of days ago saying he accepted the principle of common but differentiated targets. Again, I think there's an opening there for Minister Baird to clarify that in fact he does not envisage China or India, for example, taking on the same type of target as Canada will in the immediate post-2012 period. Instead, we do need to see quantified actions, new commitments that significantly reduce the emissions of those countries, relative to business as usual, in the immediate period following 2012. Perhaps one day those countries will be in a position where it's fair to take on a hard cap.

I think the minister has an opportunity to go some considerable way to repairing the damage that's been done to Canada's reputation here.

Mr. David Christopherson: Thank you.

Again, regarding the term "science denial" and the two degrees Celsius, obviously you're a believer. Are there others, prominent

players there, who do not agree, or is it all but unanimous that the two degrees Celsius is a number we should accept as motherhood, if you will, for lack of a better term?

Mr. Matthew Bramley: It's not fair to say it's unanimous. It's a target, actually, that the European Union adopted as long ago as 1996, over 10 years ago, so this has been around for a long time. What really struck me in the last little while is that leading climate scientists who used to be very cautious about stating an opinion on what would be dangerous climate change—because that does involve not just scientific evidence but also a value judgment—are now coming forward in substantial numbers. I cited that Bali Climate Declaration by Scientists as a striking example of this.

A lot of the scientists are now getting so impatient that they're saying, "Look, you governments, two degrees Celsius would just be unacceptable, from our understanding of all the projections that are made of impacts." Now many of them, as I said in my presentation, are saying this two degrees Celsius has to be the prime goal of the new global deal we hope will be under negotiation going out of Bali.

Mr. David Christopherson: Thank you.

I have one last question. I'm down to my last couple of moments. Some time has passed since you wrote the report on which, in large part, the bill is premised. Has anything changed substantively that we should be taking into account?

Mr. Matthew Bramley: There has been a lot of new science on climate change. By and large, it has been very much pushing in the direction of raising our level of alarm, raising the sense of urgency that we should have, and it is a fact that the IPCC fourth assessment report, third volume, which came out this year, did confirm those numbers that we ended up concluding, the numbers for the Canadian reductions that we think we need to see by 2020 and 2050, the numbers we put in our report. The IPCC has now confirmed that those are the right targets. In fact, they're at the bottom end of the range of the right targets for industrialized countries, if we want to have a chance of avoiding two degrees.

• (1720)

The Chair: Thank you both.

Mr. Vellacott.

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

For the record here, my name is Maurice Vellacott. I'm a member of Parliament from Saskatchewan, and in the words of Stéphane Dion, the Liberal leader, I think it's just not fair what Mr. Layton's Bill C-377 will do to Saskatchewan, as I look at the numbers here in Madam Donnelly's WDA Consulting brief, at ten times the burden of Ontario, twice Alberta's, twelve times Quebec's, and seven or eight times as much as Manitoba, and so on.

I don't know why Jack wants to get back at Saskatchewan, my fair province, whether it's because we've rejected the NDP in that province recently or what the deal is, why he would be trying to place a particularly unfair burden on my province of Saskatchewan.

I have a question first for Mr. Bramley in terms of his report, *The Case for Deep Reductions*, done along with the David Suzuki Foundation. Mr. Bramley, with respect to this report of yours, do you do any economic modelling that specifically focuses on Canada?

Mr. Matthew Bramley: First of all, I think it's extremely misleading what you said in your preamble, because Bill C-377 says nothing about how the efforts would be distributed between provinces. So it is absolutely false.

Mr. Maurice Vellacott: Let's just get to my question here. I want to know if you've had any economic—

Mr. Matthew Bramley: It's absolutely false to draw any conclusions about provincial burdens on one province or another.

Mr. Maurice Vellacott: Well, it's a discussion, Mr. Bramley, that you'll have to take up with your counterpart on the phone, Ms. Donnelly, because she obviously would disagree, and she has a very thorough....

Maybe you have not seen this, and it might be to your advantage to see it.

But my question again is to you—

Mr. Matthew Bramley: Mr. Vellacott, there is absolutely nothing in this bill that talks about how the burden or how the responsibility would be distributed.

The Chair: Mr. Bramley, it's difficult. We try to get one person speaking at a time.

Mr. Maurice Vellacott: Mr. Bramley, does your report do any economic modelling that specifically focuses on Canada? In your report, *The Case for Deep Reductions*, do you have any economic modelling that focuses on Canada?

Mr. Matthew Bramley: We cite a number of economic modelling studies but none that relate specifically to meeting the target we advocate for Canada in 2050. To my knowledge, that hasn't been done, and it needs to be done.

Mr. Maurice Vellacott: So you personally have not done any economic modelling that specifically focuses on Canada.

Mr. Matthew Bramley: No.

Mr. Maurice Vellacott: Mr. Bramley, with the Liberals, we saw a lot of talk and very little action, as you would be well aware. I'm referencing the 2005 commissioner's report, where she stated:

When it comes to protecting the environment, bold announcements are made and then often forgotten as soon as the confetti hits the ground. The federal government seems to have trouble crossing the finish line.

I note, Mr. Bramley, the fact that the Liberals seem a little more interested now in what you and the Pembina Institute have to say when they're not in power. This report of yours, as I understand, was released back in 2005. That's correct, is it not, 2005?

Mr. Matthew Bramley: At the very end of the year.

Mr. Maurice Vellacott: Exactly. So did that government, the Liberal government, indicate any interest in your report?

Mr. Matthew Bramley: I don't remember any specific meetings or interaction with the government of the day about the report, but I think we were almost into the election campaign at the time of the release, November 23, 2005.

Mr. Maurice Vellacott: Exactly. So it's not really that responsible for Canada to be silent on the part it intends to play post-2012, I would suggest to you, and I do suggest as well that the Liberals, it would appear, seemed rather interested in your report subsequently, but during that time when they were at the helm or at the rudder, there was not a great deal of interest in your plan.

I guess this question is for both of you at this time. Your plan, and this plan here, which I guess is the mirror of that, Bill C-377, has no action in it. It gives the government no authority to spend money to meet the bill. So what's your understanding of exactly what this private member's bill is, and how do you expect the government to be able to achieve anything in it without spending a dime?

• (1725)

Mr. Matthew Bramley: On this point, as others have noted, the bill has a similar structure to that found in the Kyoto Protocol Implementation Act, in that the onus is placed on the government to come up with regular climate plans. The government of the day has full freedom to choose the mix of spending measures, regulations, market-based instruments, provincial agreements, and so on that it sees fit as the most appropriate way for it to meet the targets in the plan, which the bill requires the government to set forth.

Mr. Maurice Vellacott: Ms. Donnelly, then, with respect to that question, what's your understanding of this private member's bill? Do you expect the government to be able to achieve anything without spending a dime? There's no plan of action in respect of that, and no authority to spend any money in this particular bill.

Ms. Aldyen Donnelly: I'm not a constitutional authority, so I'm taking you at your word.

Again, I cannot see any path forward towards compliance with any target below 2006 levels ranging between 20% and above by 2020 without substantial government spending. There are two reasons, and they're quite different.

One is that we often talk about the great opportunities, such as large hydro, east-west transmission lines, transit, and others, but the lion's share of large projects that we all know need to proceed require—to be delivered and in place by 2020—at least \$90 billion, and maybe \$125 billion, in capital investment to be in place before 2012. Most of the provinces have debt loads that are too high to be able to afford to raise that amount of cash, even on a return-on-investment basis, without federal participation.

The second thing that's really important is that anything we do is going to increase energy prices, which puts the 1.3 million low-income families in Canada in distress. It's going to cost at least \$5 billion to pay the full costs of renovating their houses to make them more efficient. You can't move without those cash components—

Mr. Maurice Vellacott: Right. Exactly.

Thank you very much, Ms. Donnelly.

The Chair: Mr. Harvey wants to go next.

[Translation]

Mr. Luc Harvey (Louis-Hébert, CPC): I am sorry to see that Mr. Layton has already left, because I had some questions for him. I would like Mr. Christopherson to tell him that when we talk about carbon emissions in China, we divide the figure by 1.2 billion, which gives us a result of about 3 tons. Nonetheless, to attain the same results as Canada, China would have to invest not \$10 billion but rather \$378 billion in environmental protection initiatives.

Ms. Donnelly, regarding the 25% reduction by 2020, what does this mean in terms of the total percentage, if we estimate the current figure at more than 33%? What percentage of emission reductions below the current level does that represent?

[English]

Ms. Aldyen Donnelly: Those emissions compared with emissions in 2005—which I think were only a little bit lower than today's emissions—would represent a 50.4% reduction. That's the number in the middle column at the bottom of my table.

[Translation]

Mr. Luc Harvey: So then, it represents a reduction of about 52%?

[English]

Ms. Aldyen Donnelly: Yes, I would think so.

[Translation]

Mr. Luc Harvey: We estimate that every Canadian produces 20 tons of CO₂. Approximately seven of these 20 tons are personally produced by the individual and 13 tons are produced by industry, by industries that employ Canadians. Is that right?

[English]

Ms. Aldyen Donnelly: No, I don't mean that. But those numbers are right, which means that to get a 50% reduction, at least 50%—but probably more like two-thirds—of all Canadian industrial plants have to be replaced, whether by pulling out the existing equipment and putting in different equipment or by shutting down plants entirely. It's all the same to an investor.

[Translation]

Mr. Luc Harvey: Mr. Bramley, when you did your scientific study of Canada's capacity to reduce its greenhouse gas emissions, you noted that it would bring about changes to the industry that would impact practically two-thirds of all industrial equipment and all installations by 2020. Did you estimate the costs and the economic fallout that would come from this?

● (1730)

[English]

Mr. Matthew Bramley: As I've said in my presentation, our advocacy of these science-based targets is based on what we, as Canada, need to do to make our fair share of helping the world avoid two degrees of global warming, which would take us into a realm of economic impacts, impacts on people, and impacts on ecosystems that I think most people would eagerly agree are unacceptable.

As I said in my presentation, on the question of the costs that will be required to meet these targets, that's a serious question, but we have flexibility to design policies that address, for example, sectors that are most exposed to international competitiveness. We have a lot of flexibility in the way we choose to go about this, and I'd remind you all once again that we have other countries that are taking on these targets because they know it's the right thing to do. I would also just remind you that as far as the 2020 target is concerned, the bill does not set in stone that 2020 target. It actually allows the government flexibility to adjust that target, if justified, so there is flexibility there in the 2020 target.

[Translation]

Mr. Luc Harvey: Mr. Bramley, I have about 30 seconds left. I want to understand this correctly. You gave us one more example of what is being done in Europe. Germany is planning on reducing its greenhouse gas emissions by 40%. However, it would do this by replacing between 12% and 25% of its electric energy production with nuclear energy.

Do we really want to follow that example?

[English]

Mr. Matthew Bramley: I think Canadians are sick and tired of hearing reasons why others should do more than us or why we can't do as much as others. I would go back to the environment commissioner's report of 2006 and the other question I referred to. The environment commissioner called for a massive scale-up of efforts on the part of the federal government to cut greenhouse gases, and I'm disappointed that we haven't yet seen that massive scale-up of efforts from the present government.

The Chair: I'd like to thank our guests. I know it's sometimes difficult on the phone, but thank you very much, and enjoy the rest of your day, Mr. Bramley and Ms. Donnelly.

Thank you.

The meeting is adjourned.

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