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

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**EVIDENCE**

**Thursday, October 22, 2009**

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**Chair**

**Mr. James Bezan**



# Standing Committee on Environment and Sustainable Development

Thursday, October 22, 2009

• (1110)

[English]

**The Chair (Mr. James Bezan (Selkirk—Interlake, CPC)):** I call this meeting to order.

We're getting off to a late start here. We will still try to have as close as possible to a two-hour meeting. We're going to continue on with our study of Bill C-311. This is meeting number 33.

We are welcoming to the table today Michael Martin, who is the chief negotiator for the climate change negotiations office, Department of the Environment. We also have, from the Department of Natural Resources, Carol Buckley, who is the director general in the office of energy efficiency. Joining us from the Department of Health is John Cooper, the director of the water, air and climate change bureau in the safe environments directorate. Welcome, all three of you.

Because these are public servants that we have, I want to draw everyone's attention again to Marleau and Montpetit, chapter 20, page 864, which says:

...public servants have been excused from commenting on the policy decisions made by the government. In addition, committees will ordinarily accept the reasons that a public servant gives for declining to answer a specific question or series of questions which involve the giving of a legal opinion, or which may be perceived as a conflict with the witness' responsibility to the Minister, or which is outside of their own area of responsibility or which might affect business transactions.

I want to remind you guys of that again, so, please, when we get into our questioning, keep in mind that we follow the rules.

I'd like to kick it off then. Who is going to speak first?

Mr. Martin, you have the floor.

**Mr. Michael Martin (Chief Negotiator, Climate Change Negotiations Office, Department of the Environment):** Thank you, Mr. Chairman.

[Translation]

I am honoured to be here with you today. I am joined at the table by Mr. John Cooper, Director of the Water, Air and Climate Change Bureau at Health Canada, and Ms. Carol Buckley, Director General of Canada's Office of Energy Efficiency at Natural Resources Canada.

With your permission, I would like to start by making a brief statement providing some observations on specific sections of Bill C-311. My colleagues and I will then be pleased to respond to questions.

Sections 5 and 6 of the Bill define a long-term emissions reduction pathway for Canada by means of a target plan with an ambitious medium-term target of a reduction of 25% below 1990 levels by 2020 and a long-term target of an 90% reduction below 1990 levels by 2050.

[English]

The concept of a long-term emissions reduction pathway is already reflected in Canadian government policy. As you know, the government has defined a pathway that would reduce Canada's GHG emissions by 20% below 2006 levels by 2020 and by 60% to 70% by 2050. As a point of comparison, current legislative proposals in the United States also define a long-term pathway for U.S. emission reductions of 17% to 20% below 2005 levels by 2020 and 83% below 2005 levels by 2050.

In the current UN climate change negotiations, Canada and the United States have both supported the idea, consistent with the imperative of achieving deep global reductions in emissions, that all countries should articulate a long-term emission reduction pathway. Each country's pathway would guide national policy-making and help to provide a clearer sense of global emission trends.

This recognition of the importance of long-term pathways was reflected last July in the outcome of the G8 summit in Italy. Canada and other G8 countries recognized the broad scientific view that the increase in global average temperature above pre-industrial levels ought not to exceed 2 degrees Celsius. Further, G8 leaders reiterated their support for a long-term global goal of at least a 50% reduction of global emissions by 2050 and, as part of this, also supported a goal of developed countries reducing emissions of greenhouse gases in aggregate of 80% or more by 2050 compared to 1990 or more recent years.

As I noted, clause 6 of Bill C-311 clearly requires the Minister of the Environment to define a long-term emissions reduction pathway in the form of an interim target plan for the years 2015, 2020, 2025, 2030, 2035, 2040, 2045 leading to the target for 2050 described in paragraph 5(a). I note as well that paragraph 5(b) defines a target for 2020, to be "valid prior to the target plan referred to in subsection 6 (1), to a level that is 25% below the 1990 level by the year 2020." This proposed 2020 target would represent a 38% reduction in Canadian emissions below 2006 levels, which would be one of the most ambitious of any developed country, in particular given Canada's strongly growing population.

New emission reduction commitments by developed countries to reduce their greenhouse gas emissions in the post-2012 period are a key issue in the current negotiations. These commitments are likely to take the form of quantified, economy-wide emission reductions for the eight-year period 2013 to 2020. At Bali in 2007, Canada and other parties agreed that the negotiations on these new emission reduction commitments by developed countries should reflect “comparable efforts”. This concept, which has its origins in article 4.2 of the United Nations Framework Convention on Climate Change, suggests that developed countries should each make a fair contribution to the aggregate emission reduction effort by developed countries based on their national circumstances and their mitigation potential.

In the government's view, the key consideration of any assessment of comparable efforts is cost. An important assumption in any calculations of cost is the extent to which the reductions would be achieved domestically and what percentage would be achieved through the use of international offset credits. It is the view of the government that its 2020 target is comparable to that being proposed by other developed countries, in particular given the fact that it does not assume significant purchase of international offset credits.

Finally, I would note that clause 9 of Bill C-311 suggests that Canada's positions in all international climate change discussions and in all negotiations must be “fully consistent with meeting the commitment made under section 5 and the interim Canadian greenhouse gas emission targets referred to in section 6”. I expect Canada will bind its 2020 target internationally as an outcome of the current negotiations. I would note that Canada's commitment to achieve a 20% reduction in GHG emissions below 2006 levels by 2020 is not conditional. Similarly, based on the language of Bill C-311, I assume the proposed 2020 target of the 25% reduction below 1990 levels would not include conditions.

• (1115)

It strikes me as unlikely that Canada would be able to revise the proposed 2020 target once announced internationally, unless we plan to adopt an even more ambitious target. Therefore, the 2020 target in paragraph 5(b) would not readily be subject to revision through the process described in clause 6. If the 2020 target in Bill C-311 were to be dependent upon the purchase of international offset credits, there may be some risks, including in terms of the costs of compliance associated with such an unconditional commitment.

Thank you, Mr. Chair.

**The Chair:** Thank you, Mr. Martin. There are no other comments coming from you this morning, so we'll go to questions and comments.

Mr. McGuinty will kick us off on our seven-minute round.

**Mr. David McGuinty (Ottawa South, Lib.):** Thanks, Mr. Chair.

**Ms. Linda Duncan (Edmonton—Strathcona, NDP):** Mr. Chair, I rise on a point of order. Is there any chance that we could have chairs for the rest of the public?

**The Chair:** We've put in a request to have some chairs brought in, if that's possible. Because of the way this room is configured, it may be difficult, but we are trying to find some chairs.

Mr. McGuinty.

• (1120)

**Mr. David McGuinty:** Thanks, Mr. Chair.

Thank you, Mr. Martin, Mr. Cooper, and Ms. Buckley, for being here this morning.

Mr. Martin, I want to begin by asking you just a few simple questions. Can you help Canadians understand what are Canada's actual greenhouse gas reduction targets from now until 2012?

**Mr. Michael Martin:** The government has articulated a goal of a 20% reduction below 2006. It may be that this implies a linear reduction, but it would depend on a variety of other factors that impact what actual emissions are. But the goal has been defined as 20% below 2006 levels by 2020.

**Mr. David McGuinty:** Mr. Martin, that has been in the context, though, of Copenhagen and the post-2012 period, so what are the targets today in Canada until 2012? As our chief negotiator, do you know, and are you bringing that to bear in your discussions with the international partners?

**Mr. Michael Martin:** The negotiations deal with the post-2012 period. You may be referring to our Kyoto Protocol target, which covers the first commitment period, which is 6% below 1990 levels as a five-year average, 2008 to 2012. That is expressed in an absolute number of about 2.7 gigatonnes as our five-year carbon budget under the first commitment period of the Kyoto Protocol.

**Mr. David McGuinty:** Thank you. That's exactly what I'm looking for.

If that's the case, then what are the actual targets proposed by the government now, using 1990 as a baseline year, post-2012?

**Mr. Michael Martin:** If you were to translate the 2020 target to a 1990 base year, it is a 3% reduction below 1990.

**Mr. David McGuinty:** So the 3% reduction below 1990 proposed by the government, which you're negotiating from, is in fact 50% lower than what Canada is already statutorily bound to under the Kyoto Protocol Implementation Act?

**Mr. Michael Martin:** I think if you were to calculate the commitment period in terms of a budget, it would depend on how you make that calculation. That calculation is still under negotiation in the Kyoto track of the negotiations.

It is also important to note that the Kyoto Protocol provides a range of flexibilities and specific rules to parties that they can make use of in order to meet their first commitment period target. It is not the case that a post-2012 target is, by definition, continuous from a 2008 to 2012 target. It really depends on the rules under which countries have to meet a specific commitment.

**Mr. David McGuinty:** If I'm sitting as a co-negotiator with you, Mr. Martin, and I'm representing another nation state, and someone informs me that there's a domestic obligation in Canada that we should be reducing our absolute emissions by 6% below 1990 levels, and you're coming to the table and proposing that we reduce absolutely by 3% our reductions by 2020, doesn't Canada have a credibility problem?

**Mr. Michael Martin:** Again, as I said, it really depends on how you're proposing to meet those goals. The Kyoto Protocol, for the first commitment period... You may recall that after Kyoto we spent four years in negotiation to determine the rules that would be applied to meet that target. And again, it's an absolute amount. That included rules on land use and land-use change in forestry; it included rules related to the use of international project-based offsets; and it also included rules related to emissions trading, to the acquisition of surplus emission units from countries that had such a surplus.

**Mr. David McGuinty:** I understand.

**Mr. Michael Martin:** So in the Kyoto negotiations, in fact, I think that's well understood. The key point, I think, about the 2020 goal is that the government has said it does not propose to make significant use of either offset credits or emissions trading under article 17 of the Kyoto Protocol. In other words, it's a domestic reduction pathway, and in that regard, I think it is comparable to what's being proposed by others.

**Mr. David McGuinty:** I understand what you're saying completely, Mr. Martin, and I know you weren't the chief negotiator when a previous minister testified in this committee. I'm not asking you to comment on this, but just for the record, the previous minister stated categorically that Canada would not participate at all in international trading systems or international offsets.

We're not sure what the government's policy is, so in that vein, I want to ask you a question.

You know, there's an old maxim in contract law that he who drafts the first draft always has the upper hand. It's also a maxim in negotiation, as you would know, I'm sure. On that note, can you tell Canadians if you have a plan from the government for climate change reductions? Do you have a climate change plan right now that you're negotiating from, and if you do, can you share it with the people of Canada?

• (1125)

**Mr. Michael Martin:** Certainly.

**Mr. David McGuinty:** Do you have a copy here?

**Mr. Michael Martin:** I have a copy of a submission that Canada made in June of this year to the United Nations negotiations. It describes our quantified emissions reduction commitment for 2020, as well as the measures the government is implementing in order to achieve that target. Of course, those measures are in the process of being implemented, and some are more advanced than are others.

**Mr. David McGuinty:** Let me ask you this, then, in terms of the plan that you possess, which we in Canada have not seen anywhere. What will the price of carbon be in 2013?

**Mr. Michael Martin:** That will depend on the final decisions, I think, around the industrial regulatory regime. As you know, that work is ongoing. And depending on the final compliance regime designed for the domestic cap and trade system, that will determine the figure. As you may know, under *Turning the Corner*, the government previously provided a projection of the cost of carbon based on that particular design and that compliance regime. Now we're re-examining that regime, so there may be changes.

**Mr. David McGuinty:** When the Prime Minister gave a speech two years ago in London, he said that the price of carbon would be \$65 a tonne. And if we heard last week from the chair of the national round table that it will be impossible to achieve the reductions put forward by the government at less than \$100, or maybe \$125, a tonne, as the French say, *qui dit vrai?*

**Mr. Michael Martin:** Well, in May 2008, the Prime Minister was speaking about the estimates done under *Turning the Corner*, announced in 2007. In 2008 we published a detailed modelling study of the economic and emissions reduction impacts of that plan, which you may have seen back then, and it also included that \$65-a-tonne figure. It was based on the compliance regime that was being envisaged at that time.

In terms of the work of the national round table, they've been doing some modelling that looks, overall, at what the economy-wide costs would be of achieving a target domestically, and then at policy design issues that might help to contain those costs, which is a very important part of any discussion. It really depends on the parameters you're using and the assumptions and policy choices you're testing in any model that will tell you what the actual carbon price might be.

**The Chair:** Thank you.

**Mr. David McGuinty:** Mr. Chair, on a point of order, would it be possible to obtain for committee members the plan Mr. Martin referred to?

**The Chair:** I was going to ask Mr. Martin to submit that at another meeting.

**Mr. David McGuinty:** And maybe through you, Mr. Chair, how long will it take to obtain that? If it's available today, a full climate change plan for Canada would be very helpful.

**The Chair:** Okay.

Mr. Martin, could we have that, sir?

**Mr. Michael Martin:** Mr. Chair, I do have what I referred to, the submission that Canada made to the UN in June. It's a public document. I have copies of that in English and French for the committee.

**The Chair:** Okay, great. We'll see that it gets distributed. Thank you.

*Monsieur Bigras, s'il vous plaît.*

[Translation]

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

First of all, I want to thank the witnesses for enlightening us about Bill C-311 and the ongoing international negotiations on climate change.

I am somewhat disappointed with your presentation and with your testimony. At best, you tend to blow hot and cold. On page 3 of your submission, you state that Canada recognizes the broad scientific view that the increase in global average temperature above pre-industrial levels ought not to exceed two degrees Celsius. You acknowledge that fact. That is the positive side.

On the negative side, you refuse to commit to reducing emissions to a level that is at least 25% below the 1990 level by the year 2020, despite the scientific evidence. You acknowledge the scientific evidence, but you are only prepared to reduce emissions to a level that is 3% below 1990 levels.

How can Canada's position be so diametrically opposed to that of the scientific community? How is it that you recognize the existence of scientific evidence, but that you refuse to make any real commitments?

•(1130)

[English]

**Mr. Michael Martin:** Well, I'm not a scientist, but we are informed fundamentally in the negotiations by the work of the IPCC, and that, I think, is broadly reflected in governments' broad recognition that holding temperature increases to below 2 degrees is consistent with avoiding dangerous climate change.

The question of the contribution of every country to achieving that global goal is indeed the issue we are negotiating; that is, how will we all share the burden of achieving the very deep reductions that will be required to achieve that goal? And it is recognized in the negotiations that countries will make contributions based on a variety of circumstances: where they began their industrial structure, their population growth, and others, including the tools they may have to use. So I don't think there's an inconsistency in that regard. But clearly there is a debate in the negotiations among all countries of what our respective shares of that burden should be in terms of emission reductions, in terms of financial contribution, and in terms of technological innovation.

[Translation]

**Mr. Bernard Bigras:** I understand what you are saying, Mr. Martin, but it is as if a patient went to a doctor, was diagnosed with cancer and refused to receive treatment for the disease. You are more or less in the same situation. Your answer has confirmed what I was thinking. Within the framework of the negotiations, you can

choose either to consider the scientific evidence or to do exactly what you have just described, namely, take into consideration the national situation. Is that in fact what you're telling us?

[English]

**Mr. Michael Martin:** No, what I'm saying is that the global community is informed by the science. The actions we're taking in the negotiations are fundamentally founded on that. I think the area of debate and what we are negotiating relate to what we are going to do collectively. The science can only tell us what we need to achieve globally; it cannot tell us what individual countries or groups of countries must do.

There are other considerations—equity considerations, for example—that inform the fact that developed countries have to lead in this process. There's a debate around the historical emissions and how these accumulated emissions inform temperature increases today. But I don't think there's an inconsistency, though I think you've put your finger on what we are negotiating, which is the burden sharing.

[Translation]

**Mr. Bernard Bigras:** Can you tell me whether or not Canada has met to date all of its financial obligations under the Kyoto Protocol, specifically with regard to the clean development mechanism?

**Mr. Michael Martin:** Yes, it has.

**Mr. Bernard Bigras:** In terms of setting a future plan to combat climate change, could a variable geometry and variable speed plan work in Canada? In other words, could one emissions target level be set for one industry—in this case the oil industry, a national concern — and another for other sectors of the Canadian economy?

•(1135)

[English]

**Mr. Michael Martin:** The policy commitment is to achieve an absolute reduction in emissions by 2020. In absolute terms, our emissions in 2006 were 718 million tonnes. That would mean, in 2020, our annual emissions would be 575 million tonnes.

On the specifics of the industrial regulatory regime, I think Mr. Prentice spoke about that recently in the House in terms that ongoing work. I wouldn't wish to comment further on what he has said.

The overall policy requirement to fulfill the commitment is to have in place policies and measures that achieve an absolute emissions reduction. The choices to be made on that, of course, are still under discussion as it relates to the industrial regulatory regime.

[Translation]

**Mr. Bernard Bigras:** As I understand it then, it is possible that different targets will be set for different sectors of the Canadian economy. Is that what you're telling us?

[English]

**Mr. Michael Martin:** As I said, I think the government is reviewing the industrial regulatory regime. They have not reached final decisions on that. I believe Mr. Prentice took questions in the House on this very subject the other day, and I would refer you to his responses.

**The Chair:** Thank you very much. The time has expired.

Madam Duncan, the floor is yours.

**Ms. Linda Duncan:** Thank you, Mr. Chair.

It is nice to see you again, Mr. Martin. I don't think I've seen you since Poznan.

Dr. Cooper, it's great to see you back with us again. I appreciate your testimony on tar sands and water. Welcome back.

Welcome, Dr. Buckley.

My first couple of questions are for you, Mr. Martin.

You have clearly read Bill C-311. You reiterated a couple of sections. In developing your negotiation position and your position at the table, are you also endorsing the preamble of Bill C-311? It states:

climate change poses a serious threat to the economic well-being, public health, natural resources and environment of Canada;

the impacts of climate change are already unfolding in Canada, particularly in the Arctic;

scientific research on the impacts of climate change has led to broad agreement that an increase in the global average surface temperature of two degrees Celsius or more above the level prevailing at the start of the industrial period would constitute dangerous climate change; and

scientific research has also identified the atmospheric concentration levels at which greenhouse gases must be stabilized in order to stay within two degrees of global warming and thereby prevent dangerous climate change;

In the negotiation position of Canada, do you accept what is stated in the preamble of Bill C-311?

**Mr. Michael Martin:** As I described, I think that's consistent with what G8 leaders agreed to in July.

**Ms. Linda Duncan:** Thank you.

We had testimony earlier this week, on Tuesday, from some of the lead climate scientists of Canada—Dr. Stone, Dr. Sauchyn, Dr. Fortier—and all those scientists called on the government to pass Bill C-311, and pass it expeditiously before Copenhagen, because they felt that it would be very instrumental in helping to move along the negotiations at Copenhagen and that it would improve the credibility of Canadian scientists.

How much are you relying on the opinion of Canadian climate scientists in forming the government position at this table?

**Mr. Michael Martin:** As I mentioned, the government's views and its policies on climate change are informed by the work of the IPCC and the fourth assessment report. We fully accepted and supported the findings of the fourth assessment report, and that informs our policies and our work.

**Ms. Linda Duncan:** I guess you leave me a little bit puzzled, Mr. Martin, because you said that the government recognizes what is stated in the preamble to Bill C-311. And it recognizes the work of

the renowned scientists of the IPCC, for which many Canadian scientists also received that Nobel Prize, who continue to work, including the scientists from Environment Canada who appeared at the committee.

What puzzles me is that many of the nations of the world are stepping up to the plate and committing to the IPCC targets and are committing beyond, in fact. It appears, contrary to what you've testified here, that we seem to be in keeping with our other trading partners, such as the European Commission and Japan. Yet the European Commission has said that if we will commit to meeting these targets, they'll step up to the plate and even go to 30%.

How do we reconcile the difference between your testimony that we are in parallel with other developed countries and the fact that they seem to be committing to the IPCC recommended targets when we are not?

● (1140)

**Mr. Michael Martin:** The IPCC, to my knowledge, has not made recommendations on targets. I don't believe that this is correct. What you, I think, are referring to is what we called in the negotiations the "Bali box". This is table 13.7 in the fourth assessment report. The Bali box described the review of the literature, and it provided scenarios around which developed countries and developing countries would act.

The lead author of that, Dr. Dennis Tirpak, made a presentation at the second Bonn negotiations on that issue. He just tried to clarify exactly what they were saying. I have a copy of his presentation here, which I'm happy to share with the committee. I'm sorry, it's only in English, because it's not a Government of Canada document. It was prepared by Dr. Tirpak. He simply says, "The '25-40% below 1990 levels by 2020' is not an IPCC conclusion or recommendation. It's a summary of the findings of papers in the literature".

The reality is that I don't think we can ask scientists to do our job, just as negotiators can't do your job as political leaders. Science can inform the decision-making. It falls to governments to decide what they will do and how they will do it, and that's very much the substance of the negotiations.

**Ms. Linda Duncan:** I have one final question for you, Mr. Martin, and then I'd like to turn to Dr. Cooper.

Would you agree that one of the key triggers for moving forward on Canadian reductions of greenhouse gases would be a regulatory trigger?

**Mr. Michael Martin:** In 2006, the government actually, I think, underlined its belief that regulatory initiatives would be essential. In fact, it launched four regulatory initiatives at that time. This House has participated in bringing those forward. They included a new national renewable fuel standard, for which there was legislation, changes to the Energy Efficiency Act, and new regulations on a very wide range of commercial and consumer products. They also included, of course, the overall industrial regulatory regime and, most recently, the new vehicle tailpipe emission standards. Those are all important regulatory initiatives. And it's certainly the case, I would agree, that significant regulatory action will be required to make significant progress in reducing our greenhouse gases.

**Ms. Linda Duncan:** Just for clarification of the record, it's my understanding that the government has announced those, but in fact, most of those provisions are not yet in force.

I'll go to Dr. Cooper.

Dr. Cooper, in the testimony of Dr. Sauchyn, he spoke to the report he led for the Government of Canada, which I understand was led by NRCan. He raised a lot of issues, particularly in the chapter he wrote about the impact on the Prairies.

I asked him questions about a study that has come out of the University of Alberta by Dr. Justine Klaver-Kibria, who has documented a number of concerns arising about the mental health impacts of climate change and the rising rates of mental health problems, and even suicides, in the farm community.

I've heard a number of scientists raise the issue, and in fact she raises this issue, that there seems to be a disconnect in the government developing its position. There doesn't seem to be a connection between, say, health, environment, and energy departments, and so forth.

I wonder if you could speak to whether Health Canada is dedicating resources to documenting and addressing the potential health impacts of climate change.

• (1145)

**Dr. John Cooper (Director, Water, Air and Climate Change Bureau, Safe Environments Directorate, Department of Health):** Thank you very much for the opportunity to appear before this committee.

In terms of Health Canada's work and contribution towards the climate change agenda, clearly we recognize the health impacts associated with climate change, and I would say particularly in relation to developing countries. There's a disparity, obviously, between the impacts that we will see in terms of health and climate change in Canada versus the global impacts, which will likely exacerbate existing situations.

In 2008, Health Canada released a very comprehensive report on the health impacts of climate change in Canada, approximately 484 pages, and they involved academics and experts from around the country in pulling this together. They identified a number of key health impacts, ranging from food security and drinking water security to extreme weather events to the spread of infectious diseases and, certainly in terms of the north, the health impacts that will exacerbate existing social and economic conditions.

In terms of Health Canada's work, as you understand, greenhouse gases don't have a direct health impact in their being there, so our concern is very much focused on the need to adapt and prepare for climate change that's occurring in some areas of Canada and certainly around the world.

We have invested in a number of programs that are trying to address and come up with adaptation strategies to deal with, for example, heat waves. We know that in Europe, in 2003, approximately 70,000 people died as a result of three heat waves during that summer.

We have established, over the past year and a half, a pilot project in four communities across Canada to develop heat alert and response systems that bring together all the community social services, the emergency preparedness people, and the municipal people so that we can actually deal with those kinds of health threats when and if they arise.

**Ms. Linda Duncan:** If I could just intervene—

**The Chair:** Your five minutes expired a while ago.

**Ms. Linda Duncan:** Thank you, Dr. Cooper.

**The Chair:** Mr. Warawa.

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

Thank you, witnesses, for being here. This is actually very, very interesting.

I marked down some notes from Tuesday, a summary of what we heard: that globally, greenhouse gas emissions continue to grow and that a long-term goal is essential, referring to 2050; that we need short- and medium-term targets or objectives; that we need solid science; that we need a global effort; and that we need quick action on a global scale.

We also heard, in the witnesses' closing comments, that generally they agreed with Canada's approach that we have a North American approach to setting a target to tackle climate change. They acknowledged that it would be a stronger position, as we go into the negotiations in Copenhagen in December, to take a North American approach as we are doing now with the United States, their target being very similar to ours. Ours is a 20% reduction by 2020, and those are absolute targets. The U.S. has a similar target: a 20% reduction by 2020.

In your brief you talked about pathways, so I think what you're insinuating is that each country may have unique situations, unique challenges. Is this what you're referring to when you say "pathway"? Would Canada, or even North America, have a different pathway, different challenges, different issues that they have to deal with compared to necessarily some other countries?

**Mr. Michael Martin:** A pathway is a policy tool that helps you think through the choices, economic and others, that need to be made to achieve a set goal. It's generally accepted that there are likely to be different trajectories that countries will follow to achieve deep emission reductions, and those will be informed by their own circumstances. In Canada, people often talk about our cold weather, but our growing population could well be an even more significant factor. Our population has grown by 18% since 1990, and achieving our 2020 goals implies achieving a 26% reduction below 1990 levels in per capita terms.

So there is a range of considerations that will affect policy pathways. The key idea, though, is that all countries are taking action, and that they are working together to achieve a global outcome consistent with what the science tells us.

• (1150)

**Mr. Mark Warawa:** The importance of a global effort to reduce greenhouse gas emissions is growing. That cooperation has been at the heart of Canada's position all along. We believe it is important to get China, the United States, and India participating in a new international agreement on climate change.

You said that Canada's 2020 target is not conditional. What are other countries doing? Are they attaching conditions to their targets? Can you give me some examples?

**Mr. Michael Martin:** A number of countries, in announcing or suggesting their 2020 goals, have described certain conditions for those targets. For example, the European Union has articulated a 2020 goal that's in legislation. It said it would go to 30% below 1990 levels, provided that other countries achieve comparable reductions and that major developing countries also take meaningful steps. They have also attached conditions to the outcomes of the negotiations on international offsets. Japan, in announcing its target, has described similar conditions.

We should look to the representatives of these countries to describe their conditions. I think a number of people have described the conditions under which they would implement certain measures in a global agreement. Australia has also made such conditions known. Of course, if those conditions are not met, it implies that those countries would commit to achieve less.

**Mr. Mark Warawa:** So Canada's target of a 20% reduction by 2020 is an absolute target, without any attached conditions. Is that correct?

**Mr. Michael Martin:** That's correct.

**Mr. Mark Warawa:** That's substantial. You also mentioned that our targets do not assume significant purchase of international offsets. We have commitments to targets made by other international partners. Some of them seem very aggressive. If they are not going to be able to meet these targets, are they going to be buying international offsets, and will there be sufficient international offsets to purchase?

**Mr. Michael Martin:** The discussion around international offsets is an important and lively one in the present global negotiations. Under the current rules, it's a legitimate policy choice for countries to look to make purchases of international offsets. In fact, under the plan announced in 2007 and the final regulatory framework in 2008, we anticipated allowing firms to purchase up to 10% of their

regulatory requirement from approved CDM, clean development mechanism, projects.

The broader question going forward in the negotiations, as we look for broad global action, is the question of options for scaling up offset mechanisms. We also need to know whether countries will agree that this is going to be the most effective way of going forward. Many developing countries are increasingly raising questions about the viability of international offsets at a time when they themselves are looking to put in place measures to take action.

Clearly, whatever countries do, they have to think their way through their pathway and the policy choices that will drive the technological change needed to achieve these very deep reductions. In Canada's case, given the structure of our industry, the government has made it clear that it wishes to focus on domestic action. It wishes to drive those technological changes now, because it will only become more difficult to do so down the road. Many other countries are exploring ways in which to make significant use of international offsets. This is an important discussion in the negotiations.

• (1155)

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

**The Chair:** Mr. Tonks, you have a five-minute round.

**Mr. Alan Tonks (York South—Weston, Lib.):** I'm going to pass to my colleague Mr. McGuinty. He knows how long-winded I am.

**Mr. David McGuinty:** Thanks.

Mr. Martin, in the interest of time, I'm just going to ask a couple of snappy questions, if I could, and hopefully I'll get some snappy answers.

How many Annex I countries have ratified the Kyoto treaty—36, 38?

**Mr. Michael Martin:** There are 41 Annex I members under the United Nations Framework Convention on Climate Change. There are 37 countries and the European Community listed in Annex B of the Kyoto Protocol.

**Mr. David McGuinty:** How many of those countries have departed from 1990 as a baseline year?

**Mr. Michael Martin:** Are you referring to new commitments under the Kyoto Protocol, post-2012? Is that what you're—

**Mr. David McGuinty:** Existing and post-2012.

**Mr. Michael Martin:** Well, a number of countries have laid out their proposals. For post-2012 in the Kyoto track of the negotiations, Canada has said it would use 2006; Australia has said it would use the year 2000; and Japan had said it would use 2005, but the new government has now said it would set a target from 1990.

**Mr. David McGuinty:** Okay, that's good.

Let me ask you this, in another vein—and I'm not asking you to comment on specifics, but I'd like to get your reaction as Canada's chief negotiator. Recently in the *Calgary Herald* editorial meeting, our minister, your minister, stated the following for Copenhagen: "it's more likely we'll be working toward some agreed principles. There's probably too much work to be done in the time left to achieve that", meaning—and here's the quote—"that it's hard to see a full and complete agreement being arrived at" in Copenhagen.

As chief negotiator for this G20 country, how is it possible for you to go forward and negotiate a successful agreement when our minister—your minister and my minister—is saying to the world that there will be no agreement?

**Mr. Michael Martin:** The general sense in the negotiations—and this was reiterated yesterday by the executive secretary of the secretariat, Yvo de Boer—is that it does not seem likely that we will have a treaty to sign in Copenhagen, but rather that we are more likely to have an agreement that draws out the key essentials of agreement, which could then be potentially cast into a treaty.

**Mr. David McGuinty:** So we hope to get an agreement to have an agreement.

**Mr. Michael Martin:** No, I think we hope to have a political agreement on the most challenging questions that can then be successfully translated into legal text. And that, I think, is essentially where we are at in the negotiations.

I don't think that's a uniquely Canadian view. I think it has been expressed by a number of countries.

**Mr. David McGuinty:** President Obama is pursuing aggressive alternative bilateral agreements with China and India. What are we doing?

**Mr. Michael Martin:** We have ongoing dialogues with those countries. I don't know the full details of what the United States has done with its other partners. We also have an important bilateral ongoing discussion on climate change and clean energy with the United States. All these actions contribute to global momentum, global action. Global action is, of course, what we're seeking to drive, so it's a welcome thing. China and India yesterday signed a new MOU, which you may have seen.

• (1200)

**Mr. David McGuinty:** So when our minister—your minister and my minister—says, in New York city, that the Chinese government's first and tenuous and unprecedented steps towards taking on even intensity targets are not good enough, does that strengthen your hand as a negotiator?

**Mr. Michael Martin:** There's an important discussion going on in the negotiations about developing country action. The fact is that 97% of future growth in global emissions will come from developing countries. So we cannot have a successful global climate change regime without the broad participation of developing countries. The

debate that's going on is about how those commitments will be expressed. Will they bound or not in an agreement? How will they be measured, reported, and verified? I think that speaks to some of the debate that's continuing.

The minister and I were in London on the weekend at the most recent meeting of the Major Economies Forum on Energy and Climate, where this continued to be discussed. I think our general sense is that countries are seeking to deal with these issues constructively, but there are some significant questions that remain to be resolved, including what kinds of commitments major developing countries will assume, and under what conditions, in a new global agreement.

**Mr. David McGuinty:** Thank you very much.

**The Chair:** Mr. Braid.

**Mr. Peter Braid (Kitchener—Waterloo, CPC):** Thank you, Mr. Chair.

Thank you very much, Mr. Martin and delegates, for being here today and for the important work you do on this critically important file.

I want to start with a question about the Kyoto Protocol. I want to ask if you could you describe the flaws of the Kyoto Protocol and how these flaws are shaping or influencing current international negotiations? In other words, what mistakes do we not want to repeat?

**Mr. Michael Martin:** The Kyoto Protocol was negotiated to implement specific provisions of the framework convention. The framework convention has universal participation; the Kyoto Protocol has almost universal participation. The major weakness, I guess, of the Kyoto Protocol—and I wouldn't necessarily characterize it as a flaw—and why we're engaged in these negotiations now is that it currently provides emission reduction obligations on countries representing less than 30% of global emissions. Clearly we need broader action if we're going to achieve a peak in global emissions and then the deep reductions that will be required going forward. It is for that reason we have these broader negotiations under way to build a more environmentally effective agreement that mobilizes action broadly, brings in the United States, and also includes significant actions from major developing countries.

**Mr. Peter Braid:** Thank you.

The Canadian government clearly has a negotiating plan going into Copenhagen, which you're very directly involved with. We have targets for reducing greenhouse gas emissions by 20% by 2020, using 2006 as the base year. Would you describe those targets as ambitious?

**Mr. Michael Martin:** I would describe them as reflecting a comparable effort to those being proposed by other developed countries.

**Mr. Peter Braid:** On the whole then, regarding our targets and the others you're comparing us to, would you describe them as ambitious?

**Mr. Michael Martin:** I think, from everything I know about the challenges we face in reducing emissions, that I would describe Canada's targets as ambitious. Yes, sir.

**Mr. Peter Braid:** Is one of the reasons the targets are ambitious that under the previous Liberal government, greenhouse gas emissions rose by 30%?

**Mr. Michael Martin:** I'm sure committee members have access to the data on Canada's emissions growth. I would simply refer you to those numbers, sir.

**Mr. Peter Braid:** I have a specific question on Bill C-311. Does it contain an integrated North American approach, and is that important?

**Mr. Michael Martin:** I'm sorry, sir, I have read the bill, but I don't recall those specifics. I would have to refer to the bill to clarify that.

• (1205)

**Mr. Peter Braid:** To the last segment of my question, is an integrated North American approach to tackling climate change and reducing greenhouse gas emissions important for Canada, and why?

**Mr. Michael Martin:** In policy terms, even if we look at the experience in Europe, I think we've seen that countries that are economically integrated are likely to be more successful in taking coordinated and harmonized action going forward. So I certainly think that effective North American action can play a very important role in driving the change needed here.

North American leaders, at their summit this August, articulated an agenda of action for the three main countries of North America: Mexico, the United States, and Canada. We're pursuing that, and I believe it will make an important contribution to Canada's efforts going forward.

**Mr. Peter Braid:** Thank you very much.

**The Chair:** Okay, thank you.

*Monsieur Ouellet, s'il vous plaît.*

[Translation]

**Mr. Christian Ouellet (Brome—Missisquoi, BQ):** Thank you for coming here today to discuss your role in the negotiations.

As you know, Mr. Martin, the government has recognized that Quebec is a nation. It has also given Quebec a voice at the United Nations.

Once you are there, how do you plan to negotiate with Quebec, which has been recognized as a nation and which does not have the same objectives as Canada? Since 1990, Quebec has been working to reduce its greenhouse gas emissions and it would like these efforts to be acknowledged in so far as the objectives are concerned. What approach do you plan to take?

[English]

**Mr. Michael Martin:** For the past many months, I have chaired a federal-provincial-territorial working group involving representatives of all Canadian jurisdictions, including Quebec, to inform and consult on Canada's positions in these negotiations. From my perspective, that has gone very well, and it lays the foundation for ongoing collaboration with Quebec and other provinces and territories. In Copenhagen and beyond, as we go forward, we will have provincial and territorial representatives as part of my negotiating team. We expect to have very strong representation from the provinces and territories in Copenhagen. We will work with them in a collaborative way.

The federal government supports strong, effective, ambitious action by the provinces and territories in their areas of competency and has contributed financially to achieving those goals. From my perspective, we have a very strong partnership with Quebec in these negotiations.

[Translation]

**Mr. Christian Ouellet:** So then, if I understand your answer correctly, Mr. Martin, you're saying that you will take the same approach with all of the provinces and territories, including Quebec, even though the government has recognized Quebec's special status.

[English]

**Mr. Michael Martin:** I think you may be referring to the arrangement related to UNESCO. In the terms of the Framework Convention on Climate Change, Canada is the only party to the convention and it is only the Government of Canada that speaks on behalf of Canada in that body.

That said, we do have a very active consultative process with all the provinces and territories, including Quebec, as I mentioned. It is one that informs our positions and our interventions in these negotiations. The Government of Quebec has had representatives at the negotiating sessions held this year. I have worked with them very closely in formulating our approach.

[Translation]

**Mr. Christian Ouellet:** You reiterated several times in your responses that Canada has set some ambitious goals. On what do you base that contention? Do you base it on concrete facts, on science, on the inability to act, on the fact that nothing has been done to date? What reason do you have for claiming that the current objectives are ambitious?

• (1210)

[English]

**Mr. Michael Martin:** As I mentioned in my statement, the concept we're working with in the negotiations is comparability of efforts. So there's a discussion on how one defines comparability of efforts.

We believe that an important consideration is economic cost. There is a wide range of information that helps countries assess how implementing and achieving certain goals will impose certain costs. Those costs can be measured in different ways. It is on the basis of those assessments of cost that I believe those targets are comparable to those of others.

In terms of level of ambition and, again, based on the nature of our economy and our history, these do represent ambitious targets. But I recognize that ambition is a judgment and that there will be different views on what constitutes "ambitious" or not.

[Translation]

**Mr. Christian Ouellet:** Do I have any time left?

**The Chair:** No, your time is up.

**Mr. Christian Ouellet:** Really?

[English]

**The Chair:** Mr. Watson.

**Mr. Jeff Watson (Essex, CPC):** Thank you, Mr. Chair and thank you to our witnesses for appearing here.

I was going to be asking a question on comparable efforts, but I think you've handled that one quite well. I appreciate the question from my colleague Mr. Braid on the weakness with respect to Kyoto. Of course we don't want to make the same mistake of having a target that is proven unrealistic. I know there are those who will criticize us for our desire to come up with a realistic target this particular time. That's some of the discussion we're having around Bill C-311, An Act to ensure Canada assumes its responsibilities in preventing dangerous climate change. We're asking if it's a realistic target for Canada, one that recognizes some of our unique factors. Choosing a target that is obviously unrealistic or unattainable will both discourage immediate action and could promote failure in the long run. So I think this is a very valuable discussion to have.

In that line you've talked about a pathway for Canada. What are some of the factors that influence Canada's pathway for coming up with a target that's going to be ambitious but realistic, something that we can actually envision attaining?

**Mr. Michael Martin:** In some of the analytical work.... There is actually very interesting literature around pathways. This tool is being used by developed countries and developing countries such as Mexico, which has articulated a long-term emissions reduction pathway.

I think there are a variety of very practical considerations. You have to look at the sources of emissions and you have to address each of those. To use one example, a very large percentage of global greenhouse gas emissions arises from the generation of electricity, the power sector. It's about 60% of total emissions. In many countries the most cost-effective thing you can do is to promote fuel switching in your power sector. So you switch from coal, which is broadly used globally, to either less carbon-intensive fossil fuels or, even better, to hydro, nuclear, wind, and other renewable sources of energy.

In Canada, about 75% of our electricity is produced without emitting greenhouse gases. About 60% is large hydro, about 14% comes from nuclear, and 1% is from other renewables. The government has made a policy commitment to increase that to 90% by 2020.

When you think about that in relation to a pathway, you then have to address what that means. In Canada's case that will mean the retirement of a number of coal-fired power plants, as is being planned here in Ontario, as well as identifying the other options for fuel switching, whether it is to bring new hydro online, promote the growth of renewables or other such measures, as well as demand management.

I think one of the critical issues going forward globally is to ensure that in developing countries, as they are building their energy systems to respond to growing demand from growing economies and growing populations, we do not lock in highly greenhouse-gas-intensive infrastructure, because that infrastructure would likely still be with us in 2050.

So that's one example of how thinking of pathways can help to inform policy decisions.

•(1215)

**Mr. Jeff Watson:** Very good. Then the retirement of Ontario's coal-fired plants would come as good news. Of course we've put aside \$586 million from our ecoTrust for the province of Ontario for just such a priority.

Talking about other pathways, the government has said we're looking for an agreement that includes all major emitters. What are we looking for in terms of Copenhagen and this new post-Kyoto agreement with respect to major emitters? Who are they? What are we hoping to see captured with respect to major emitters—what kinds of targets and that kind of thing?

**Mr. Michael Martin:** Mitigation or emission reductions is at the very heart of these negotiations. In Copenhagen we're looking for developed countries to commit to binding economy-wide quantified emission reduction targets for 2020. We are also looking to establish targets that place us on a pathway of achieving deep aggregate reductions by 2050.

From developing countries, we are seeking actions that are listed in an agreement and that are subject to review. Clearly, to be environmentally effective, we will have to draw in the major emitters in the developing world. We will need cooperation from China, India, Indonesia, Brazil, and Mexico. At the same time, we are working in the agreement to undertake much broader action. There are more than 192 countries involved in these negotiations, most of them developing countries. We want to build a regime that enables broad participation and broad action from countries that are smaller but still significant. Columbia, Peru, and others will be significant.

In addition, significant action on forests could be a very important outcome of these negotiations, and on this matter you might also have to address some countries that are not as far along in their development.

**The Chair:** Mr. Trudeau.

**Mr. Justin Trudeau (Papineau, Lib.):** As chief negotiator, Mr. Martin, for the Canadian government at Copenhagen, are you hopeful we are going to reach a deal there?

**Mr. Michael Martin:** In my experience, it's always good to be optimistic in negotiations. We have a powerful interest in achieving an ambitious and comprehensive outcome in Copenhagen. We have a strong interest in achieving effective global action that addresses this problem. I am optimistic, based on the tone in the negotiations, that we can address some of the major questions. Whether the dynamics of what is ultimately a completely multilateral process will enable us to get there, I can't say. I am optimistic, however, that we can achieve a significant agreement in Copenhagen.

**Mr. Justin Trudeau:** Do you believe it helps you in your job when someone such as the Canadian environment minister, in a speech yesterday to Microsoft, said that he felt we were probably not going to reach a deal in Copenhagen?

**Mr. Michael Martin:** We have to be precise in what we think constitutes a deal, and this is being discussed. There will be a lot of discussion about that. It does not seem that we will have a treaty to be signed, a legal text, but we are continuing to work hard in the hopes of achieving a broad agreement on the key elements. Those are my instructions.

**Mr. Justin Trudeau:** One of the issues you brought forward was the conditional nature of some of the other countries' targets. You mentioned something along the lines of a 30% reduction from 1990 levels for the European Union by 2020. This is extremely ambitious and dependent on other countries' participation. Canada's position is to reduce emission levels by 3% from 1990 levels. According to Dr. Stone, whom we heard from on Tuesday, the 2006 benchmark would actually have us going over 1990 levels by 2% or 3%. We seem to be quibbling over hairs.

Do you think it's not countries like Canada, which is refusing to set ambitious science-based targets, that are interfering with the progress the whole world is trying to make? If we're putting forward conditional but very ambitious targets, should we not also be participating in that and trying to be a world leader instead of a cautious laggard?

• (1220)

**Mr. Michael Martin:** I honestly think that our 2020 goal, when translated, is comparable to that being proposed by others. Of course, it's a negotiation. There is a political debate around level of ambition. I understand all of that. I think the important thing to think about is how we at Copenhagen can reach an understanding, an agreement on elements, that is actually going to change the global trajectory of emissions from growth to one of decline and put us on a path to achieving a low-carbon global economy. Canada's proposed actions, I think, are an important contribution to that. I think they're comparable, as I said, with what other developed countries are doing and they're also consistent and aligned with those being proposed by the United States.

You're correct, sir. There is a debate around this issue, and it's part of the negotiations.

**Mr. Justin Trudeau:** In preparing for Canada's position on Copenhagen, because of various levels of inaction by different federal governments over the years, many provinces and municipalities have chosen to go at it alone. What kind of agreements has the federal government got with provinces on combining our negotiation positions at Copenhagen?

**Mr. Michael Martin:** As I mentioned, it's the Government of Canada that is at the table and speaks for Canada in these negotiations. As I mentioned, we also have a very meaningful process of consultation under way with the provinces and territories. There is a working group that I lead. Mr. Prentice has also visited every provincial and territorial capital in the last two months and met with every premier to discuss how we're proceeding on climate change and at Copenhagen. It is important that we work collaboratively with all levels of government in order to achieve the goals we have set out, and that is what we're seeking to do.

**Mr. Justin Trudeau:** What are the conditions we're going to be expecting in order for us to agree to a deal? What are we expecting from countries such as China and India? What is our initial position that you have going into it? What have we told the Chinese and the Indians, for example? Have we told them that they have to deliver to this degree if we're willing to step out and hit some targets of our own?

**Mr. Michael Martin:** Our 2020 target is not conditional on an outcome in Copenhagen, but what we're looking for in terms of a global agreement is actions by developing countries that would lead to a significant deviation from business-as-usual emissions growth. That doesn't mean that developing countries would assume absolute emission reduction targets similar to those of developed countries, but rather that they would take a series of actions, and those actions would be expressed *ex ante* in an agreement, listed, and would be subject to some form of review going forward to help aid and ensure their effective implementation and also, importantly, to improve the quality of information we have available to inform policy-making. Currently, as you may know, only developed countries produce regular emissions inventories; developing countries do not. That means that most of what we're working with are broad estimations of emissions. We need to better understand what global emission trends are and how the various policy measures that have been in place are having an impact on changing those trends.

**The Chair:** Thank you.

Mr. Goldring, the floor is yours.

**Mr. Peter Goldring (Edmonton East, CPC):** Thank you, Mr. Chairman.

Thank you, witnesses, for being here today.

I'd like to raise one issue, one example of why, just as you said, we should have a more level playing field of efforts, particularly on this emissions inventory of products and efforts within countries. I'll mention one type, an example. In Japan they have a very high bar of acceptance for used vehicles and test them for emission tailpipe levels on a periodic basis. I'm not sure exactly what it is, but that high bar has the effect of removing an awful lot of two-year-old vehicles from the roads.

While that appears to be admirable on the surface—and I'm sure it would be counted in that emissions inventory structuring system—I'm wondering if it's counted when they take those same vehicles, load them onto a huge automobile carrier ship, take them into the Caribbean, and resell them. In other words, they're selling their failed emission vehicles they have counted in their inventory into the developing countries. I would think that needs some exploratory work done too. What's the point in removing vehicles if you're just going to pass that pollution into another part of the world?

My concern today is mainly with this bill. I certainly recognize that the plan we as a government have in place is a vast improvement from not having a plan at all. It seems to be balanced, achievable—and it's good to hear it is absolute too, because that's a firm direction to be going in. With this bill, I would like to know if we have some idea on costing to achieve the higher standards of Bill C-311? This is not just in raw dollars and cents.

I noticed here in some commentary that the Parliamentary Budget Office could not do a cost analysis, but has any other department done a cost analysis on it? In addition to a cost analysis of the raw dollars and cents to achieve that level, what industries have to be shut down, or do any industries have to be shut down, to achieve those levels?

Having the leader of the NDP fly over Fort McMurray and want to shut down the oil sands...in Alberta, where we're from, one of the industries would have to be shut down to meet these types of targets. Do we have the impact on major industries that may have to be curtailed or shut down? If we do have a much higher cost for doing this, what else would have to be cut back from our system to be able to meet these targets—health care, post-secondary education, or other initiatives? Does it have that much of a financial and industrial impact?

• (1225)

**Mr. Michael Martin:** Some of those issues you've raised, sir, are ones that, clearly, the committee will continue to debate. I am unaware that any government department has done a costing of Bill C-311. I think the costing of any climate change plan or approach will depend on the various measures that are implemented and other factors that would inform it.

**Mr. Peter Goldring:** I'm not sure how we could then be proceeding to examine a bill when we have no idea what the economic impact would be. How would we be able to debate a bill here that obviously will have some implications? The express purpose of the Parliamentary Budget Office was to cost private members' bills, to give us some idea if there are cost implications here, yet that hasn't been done.

**Mr. Michael Martin:** As I said, sir, I'm not sure I have much more to add. I'm not aware that any government department has done a costing of this bill.

**The Chair:** Mr. Goldring, your time has expired. Time goes quickly when you're having fun.

We've finished our second round. We're going to do a third round, so everybody will get another five minutes.

Mr. Tonks, you can start the third round.

**Mr. Alan Tonks:** Thank you so much, Mr. Chair, and thank you to the witnesses.

In this document, the government has indicated that it is reducing GHG emissions by 20%, relative to 2006, by 2020. That is not assuming any provision under the Kyoto mechanisms.

Here in this document, the same statement, same target period, the proposed 2020 target would represent a 38% reduction. So that is 20% that the government has committed to, and 38% in the bill, is it not?

My question is, though, if there was an agreement for a cap and trade regime, which is under discussion with the United States, would that change the statement with respect to the ambitious nature of the targets, the 20% in the 2007 commitment and the aspirational amendments to CEPA? Would a continental agreement for cap and trade change the nature of those commitments, in your opinion, with respect to the ambitious or unambitious nature of it?

• (1230)

**Mr. Michael Martin:** I want to be clear on the numbers. The policy commitment is for a 20% reduction. The 38% you're referring to relates to what the 2020 target proposed in Bill C-311 would represent.

**Mr. Alan Tonks:** That's right.

**Mr. Michael Martin:** Okay.

No, in terms of the design of the cap and trade system, of course you need to have goals, and those goals have to be established by governments. I don't think the implementation of the linking of our respective cap and trade systems in Canada and the United States will change the goals that have been set out by the governments; however, we don't know yet what will emerge from U.S. Congress. That legislative process is still ongoing. In the debate, there's a slight difference in terms of the level of ambition for 2020 between the House bill and the Senate bill, but we'll have to wait and see what the legislative process produces before we know, as well as the details of how they want to implement that regime.

**Mr. Alan Tonks:** All right, thank you for that.

I would like to pass my time over to Mr. McGuinty.

**Mr. David McGuinty:** Mr. Martin, you handed us a one-page sheet called a commitment. This is entitled, "Canada's Mid-term Quantified Emissions Reduction Commitment". Is this what you're telling the Canadian people is Canada's climate change plan?

**Mr. Michael Martin:** It's a submission that we made to the United Nations that summarizes the government's policy direction and the actions that are being implemented in order to achieve our 2020 target. It was provided to other parties.

**Mr. David McGuinty:** So this is our plan?

**Mr. Michael Martin:** As you know, there is a great deal of additional detail that supports each of those specific policy initiatives.

**Mr. David McGuinty:** The European Union produced, I think, 700 pages of analysis. It was publicly available to every citizen of the European Union. Do you have any documentation to share with the Canadian people? We have a one-page sheet of paper that's called a commitment.

And by the way, following up Mr. Goldring's, I think, unfortunate line of questioning, have you costed the plan?

**Mr. Michael Martin:** As you know, in October 2006 the government put out a regulatory notice of intent. That was then expressed in 2007 with the announcement of what was then called *Turning the Corner*. In March 2008, the government published the final regulatory framework, which included a great deal of additional analysis—

**Mr. David McGuinty:** Forgive me, Mr. Martin, I know the government has tabled promise after promise after promise. We've had no regulation of greenhouse gases in this country. Correct? No regulations were promised in January 2010. The minister has told us to expect an indefinite delay. You're telling us now, as parliamentarians who report to Canadians, that other than what has been produced, changed, and amended over and over again by this regime, there is no documentation or plan to backstop this one-page commitment that you present as a plan today, which you have not costed. Is that correct?

**Mr. Michael Martin:** No, sir, that's not correct.

**Mr. David McGuinty:** Where is the documentation?

**Mr. Michael Martin:** In each of those areas, there is documentation that supports it—examples being the fuel efficiency regulations and the tailpipe standard. There was a notice of regulatory intent, and draft regulations will be forthcoming. Draft regulations will be forthcoming under the cap and trade system—

**Mr. David McGuinty:** How can you negotiate in a national setting when you have nothing but draft regulations, notices of intent?

We promised to do something aspirational. Your own minister said that the two-degrees Celsius commitment that he signed on to at the G8 was, four hours after signing it, merely aspirational. How are we supposed to believe, in Canadian society, that you have a clear mandate to negotiate from a page-and-a-half commitment statement that you say constitutes a plan?

• (1235)

**Mr. Michael Martin:** In the context of the negotiations, I think different countries, in terms of specific policies and measures, may be at different stages of implementation. I have not received a great deal of negative feedback on that document, sir.

**Mr. David McGuinty:** This document?

**Mr. Michael Martin:** In these negotiations, I have not.

**Mr. David McGuinty:** Have you shared it with Canadians?

**Mr. Michael Martin:** It's a public document.

**The Chair:** Your time has expired, Mr. McGuinty. We're going to move on.

*Monsieur Bigras, s'il vous plaît.*

[Translation]

**Mr. Bernard Bigras:** Mr. Chair, I'd like to come back to my colleague's question about provincial representation on the Canadian delegation.

Mr. Martin, you have stated quite clearly—and the minister reminded us of this—that Canada speaks with one voice. In the past,

has a prime minister, or a provincial premier, notably Mr. Thomas Mulcair, ever addressed the Conference of the Parties to the United Nations Framework Convention on Climate Change?

[English]

**Mr. Michael Martin:** Monsieur Bigras, I am aware that you have actually been to every Conference of the Parties, so I would have to defer to your knowledge on what has happened at every Conference of the Parties over the last few years. I have only been to one Conference of the Parties, which was at Poznan. At that time, the Minister of the Environment for Quebec made a statement on behalf of subnational governments to the high-level segment. But I don't know the details of what might have happened in the past.

In these negotiations the Government of Canada, as the state party to the framework convention, speaks on behalf of Canada.

[Translation]

**Mr. Bernard Bigras:** I seem to recall, Mr. Chair, a province addressing a gathering of the Conference of the Parties. A precedent has been set and a minister should not be prevented from addressing the Conference of the Parties, instead of simply being relegated to the role of observer, all the more so given that Quebec has adopted one of the most ambitious stands of all on climate change.

I'd like to get back to the subject of Bill C-311. You say that if Canada were to adopt this legislation, it would likely be one of the most ambitious pieces of legislation ever developed by an industrialized country. That's what you appear to be telling us. The bill may be ambitious, but do you also think it is unrealistic?

[English]

**Mr. Michael Martin:** I think it falls to governments to decide, ultimately, what is realistic. What I can do and what officials can do, I think, is help suggest policy options to achieve different goals and raise considerations. I think it falls to governments to determine, ultimately, what the appropriate goals are that need to be met.

[Translation]

**Mr. Bernard Bigras:** You always refer to a continental policy and give the United States as an example. To my way of thinking, the United States have a regime in place that often allows them to negotiate agreements with the different states.

Does the regime that you intend to put forward in the coming weeks on the eve of the Copenhagen Conference take into account the fact that bilateral agreements may be concluded with provinces that pledge to uphold Canada's international commitments? Will some provision be made for flexibility, asymmetry and bilateral relations mechanisms, or will Canada put forward a coast to coast plan setting out different national global targets for different sectors? Will there be the kind of flexibility that we see in Bill C-311 that will allow provinces to conclude a bilateral agreement? When the Liberals were in power and Stéphane Dion was Minister of the Environment, the federal government had the option of concluding a bilateral agreement with Quebec. Discussions had taken place between the then federal and provincial ministers of the environment. Will the proposed regime give Quebec the flexibility to conclude a bilateral agreement on greenhouse gas emission reduction commitments?

• (1240)

[English]

**Mr. Michael Martin:** Under the Canada Environmental Protection Act, there is a provision that provides for the federal government to enter into an equivalency agreement with a province. If the province is implementing measures that are at least as stringent as the federal government's, then the federal government will stand down. That provision exists within the act.

[Translation]

**Mr. Bernard Bigras:** The legislation makes provision for that, but it does not carry the same weight as an agreement between a province and the central government. That is my question to you.

I know the Canadian Environmental Protection Act provides for equivalent agreements, but I'm talking about a European model where a State or nation can sign agreements and commit to upholding them taking into account national circumstances. In the case of the Quebec nation, it would be a matter of taking into account our different economic structure, our different position on energy matters and our different democracy.

Will provinces have the flexibility to sign bilateral agreements with the central government? Basically, this would be similar to the triptych approach adopted within the European Union.

[English]

**Mr. Michael Martin:** Europe's situation is a bit different from Canada's. But in Europe you have a wide range of differences in the level of emission reductions that countries are undertaking. As I understand it, under the European Union emissions trading system, the post-2012 regime will be a single regime, and there will simply be an allocation centrally. Therefore, individual country targets under the emissions trading system will arise from the obligations of the regulated facilities.

There are other areas of policy in Europe that relate to energy efficiency goals that may be national. I don't know if there is a similar arrangement that could take place here. I think the critical issue is going to be whether we have effective collaborative action sufficient to achieve our goals and to place us on a pathway towards very deep emission reductions.

**The Chair:** Thank you.

Ms. Duncan.

**Ms. Linda Duncan:** Mr. Martin, it's interesting to see the document that is guiding your negotiations. I have to say that I am left extremely confused. Your document states that the position of Canada at the negotiation table is that the federal government is pursuing clean electricity as part of its strategy. It says that this will be done by switching away from coal and expanding the use of nuclear and renewable power, and that the government is providing significant incentives to increase Canada's supply of clean electricity from renewable sources.

It then mentions that carbon capture and storage is an initiative into which the department is putting a lot of money, a lot of taxpayers' money. *Turning the Corner*, which is supposedly Canada's greenhouse gas strategy, last fall's throne speech, and this year's budget all state that the Government of Canada is going to achieve "cleaner electricity through nuclear, coal". Nowhere in any of these three documents are the words "renewable energy" mentioned. There has been a commitment of many hundreds of millions of federal taxpayer dollars to the development of carbon sequestration. As far as I'm aware—and I can be corrected—the government has yet to commit any money for the renewable sector, and the money being spent now is still 2008 money.

I'm doubly confused to see that carbon capture and storage is now admitted by the government and industry to be for cleaning greenhouse gases from coal-fired power. Supposedly, the strategy of the federal government is to switch away from coal, yet we're investing hundreds of millions of dollars in CCS, and the Government of Canada is on record saying that they are dedicated to the expansion of coal-fired power, including for export. How do these things fit together?

• (1245)

**Mr. Michael Martin:** I'll ask Carol Buckley to comment on the incentive program the federal government has in place for renewable power. Generally, I'm not aware of any particular commitment to expand the growth of coal-fired power. I'm honestly not aware of that.

**Ms. Linda Duncan:** I can assure you that it's on the record in Alberta.

**Mr. Michael Martin:** I'll let Carol speak to the renewable power incentive program.

**Ms. Carol Buckley (Director General, Office of Energy Efficiency, Department of Natural Resources):** You're clearly aware, given your reference to the 2008 money for renewable energy, that the government announced a series of energy programs, including renewable energy programs, which began in 2007. With respect to renewable power, there was a \$1.48 billion investment in renewable power. We are into the third year of the four-year mandate of that program. It is very popular, it's very well known, and it has been discussed in many places. The demand for that program exceeds the supply of money. The government has committed about 80% of that \$1.48 billion. More than 80 projects have been started to put renewable energy in place. So the program is well on track to displace 4,000 megawatts of carbon-based electricity with clean renewable sources.

That said, the government is currently taking advice in terms of what the next step is in supporting more renewable energy in the power mix in Canada. That program still has a year and a half to run, even though the demand is already greater than the supply of funds. My colleagues are consulting with officials from industry, environmental groups, provinces, and academia on what our next step to support renewable power should be. In fact, Minister Raitt is holding a national round table on this subject in November to get good long-term strategic advice on what our next steps should be.

**Ms. Linda Duncan:** If I'm correct in understanding, the budget was passed in May or June, and no new moneys have been dedicated or announced yet, despite the fact that the renewable power program was oversubscribed. No new moneys have yet been declared and issued for renewable power, despite the fact that it is stated in here that "Governments of Canada are providing significant incentives to increase Canada's supply of clean electricity from renewable sources".

**Ms. Carol Buckley:** No, that's not quite true. The budget 2009 investment in the clean energy fund, while it does have significant support for carbon capture and storage, also supports eight other priority areas for clean energy, including renewable technologies. So there will be investments made.

**Ms. Linda Duncan:** There will be, but they have not yet been made.

**Ms. Carol Buckley:** They have not yet been made.

**Ms. Linda Duncan:** That's correct.

**Ms. Carol Buckley:** Money has been earmarked and provided for in the clean energy fund to support renewable energy.

**Ms. Linda Duncan:** I have a question for—

**The Chair:** Your time has expired.

Mr. Warawa, you can finish this off for us. You have five minutes.

**Mr. Mark Warawa:** I find it interesting that all the questions, even from the NDP, had nothing to do with Bill C-311. It was all about Copenhagen. It's also ironic that the NDP voted against the budget and the commitment of millions of dollars for clean energy. They voted against that.

The focus is on Copenhagen. There's great interest in that. We heard on Tuesday, as I said before, from the scientists on the importance of having a North American approach. The target we take to Copenhagen is a North American target of a 20% reduction

by 2020. We heard from scientists that it's good to have a coordinated approach.

You talked at length about comparable efforts from other countries. The North American commitment of a 20% reduction is comparable globally as we globally tackle the issue of climate change. What are Canada's key priorities as we go into Copenhagen? What is the approach of the major emitters, such as China, India, and other developing countries, towards these negotiations?

It's critical that we have all the players participating. As you highlighted, one of the weaknesses in Kyoto was that we did not have the major emitters participating. To have a successful, effective agreement you have to have the major emitters. What are our key priorities, and what's the approach of China, India, and other developing countries?

• (1250)

**Mr. Michael Martin:** The fundamental policy goal is to achieve an agreement that is environmentally effective, one that places us on the path to achieving reductions of at least 50% globally by 2050. In order to get there, as I mentioned, we're going to need economy-wide actions and commitments from developed countries and we are also going to need very broad action from developing countries. We're going to have to find a way to build this package in a manner that is consistent with the aspirations of all countries to pursue sustainable development and to continue to grow their economies, to continue to provide increasing sources of affordable energy to their people to enable them to continue to reduce poverty and increase living standards.

All those policy goals have to be addressed together. We have to find a way, through this agreement and broader collaborative action, to achieve growth, sustainable development, while also achieving the deep emission reductions that science tells us are necessary. To get there, again, we're going to have to scale up global cooperation. We're going to have to drive the development and deployment of clean technologies. We're going to have to also generate the financial resources necessary and the investment necessary in order to enable that clean growth path going forward.

So it's a very ambitious goal that we're seeking to achieve.

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

I have one closing question on the summary you provided to the committee on emission reduction commitments, which became a public document in, I believe, June or July. Where can Canadians get access to this?

**Mr. Michael Martin:** It's available on the United Nations website, the framework convention website. I'm not sure if it's available on our own website or not, sir, but I can certainly check that.

**Mr. Mark Warawa:** And this is a summary document?

**Mr. Michael Martin:** In the negotiations, when we've had an ongoing discussion about targets and comparability of effort, we provided this to help parties understand more about Canada's circumstances and to provide an indication of the policies and measures that the Government of Canada was implementing in order to achieve those goals. It's consistent with what parties provide in that setting.

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

**The Chair:** Thank you.

I want to thank the witnesses for your presentations today. It will help us form our study and report and evaluation of Bill C-311. I appreciate your comments and very frank discussion, Mr. Martin.

Thanks for joining us, Dr. Cooper and Ms. Buckley. We appreciated your input today as well.

We do have a notice of motion to consider from Mr. Trudeau. Would you like to read that into the record.?

**Mr. Justin Trudeau:** Yes. The motion is that the meetings in relation to Bill C-311, An Act to ensure Canada assumes its responsibilities in preventing dangerous climate change, be televised.

I think the interest generated by the discussions we're having here would be of great interest to Canadians and I think we should. We've talked about it many times before, so I finally moved a concrete motion that we ask the clerk to try to schedule, inasmuch as it is possible within the limits of the House of Commons, that each of these hearings in the future be televised.

• (1255)

**The Chair:** Since we are considering legislation, we do have a priority over other committees for meeting rooms that are televised.

Mr. Warawa.

**Mr. Mark Warawa:** I thank Mr. Trudeau for his motion. I think it's a good one. We'll be supporting it. We want to give Canadians an opportunity to hear from science, industry, economists, all the professional expert witnesses who will be coming here. They need to hear this as we critique Bill C-311. I don't think it's a good bill, but we look forward to Canadians hearing from the witnesses. Having it televised will give them that opportunity.

**The Chair:** My own comment on this is that in normal practice when we do go to clause-by-clause, those proceedings usually aren't televised, but I leave it to the committee's discretion on whether or not you want clause-by-clause televised.

**Mr. Justin Trudeau:** My intent with the motion is very much more around the testimony we'd be hearing rather than the clause-by-clause.

**The Chair:** Can we make it part of the motion that clause-by-clause consideration will not be televised?

**Mr. Justin Trudeau:** I accept a friendly amendment on that.

**The Chair:** Are there any other comments?

Go ahead, Ms. Duncan.

**Ms. Linda Duncan:** I'm pleased to see the switch in opinion. I, of course, had wanted to have proceedings on tar sands and on water televised, and there wasn't interest in that. It's regrettable that the first two days of testimony—Tuesday's, I think, being the more significant—weren't televised, but I'm certainly in favour of finally making our proceedings open to the public.

**The Chair:** Ms. Duncan, I can tell you that as chair, I take my direction from committee. If committee brings forward a motion, then we will be scheduling televised meetings, but until that happens, we maintain the status quo.

Go ahead, Monsieur Bigras.

[*Translation*]

**Mr. Bernard Bigras:** It's hard to oppose virtue, but I find it somewhat paradoxical that this motion is being brought forward after study of the bill has already commenced, after we have already heard shocking testimony from scientific experts and after the government has made its position known. I'm not opposed to the motion, but I do hope that the committee will not make a habit of opening the discussion up to the general public after it has begun to study a bill.

I would have preferred to see the motion tabled earlier. We always agreed to have committee meetings televised and to have as few in camera sessions as possible, particularly when the time came to set out the agenda and our list of witnesses on Bill C-311. Not every opposition party felt the same way, but I'm pleased today to support this motion, even if it is a little late in coming.

[*English*]

**The Chair:** Go ahead, Mr. Trudeau.

**Mr. Justin Trudeau:** I would just like to add that I would have been more than favourable to any motion that the other parties or anyone else might have brought forward on this. There were no other motions. We've been talking about it for a while.

**The Chair:** Are there any other questions or comments?

Let's call the vote.

(Motion agreed to)

**The Chair:** Having received a motion to adjourn the meeting, I declare the meeting adjourned.







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