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Chair

Mr. Mark Warawa

Standing Committee on Environment and Sustainable Development

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● (1530)

[*English*]

The Chair (Mr. Mark Warawa (Langley, CPC)): I'd like to welcome everyone to this 32nd meeting of the Standing Committee on Environment and Sustainable Development.

I want to welcome our witnesses today. We have witnesses from the Canadian Federation of Agriculture and Keystone Agricultural Producers. Each of you will have up to ten minutes, and then we will have a round or two of questioning. We will go for one hour, and then we will have a new topic.

We'll start with the Canadian Federation of Agriculture for ten minutes.

Mr. Ron Bonnett (President, Canadian Federation of Agriculture): Thank you.

Thank you for the invitation to come and talk to you about the recommendations around a national conservation plan.

At the outset, I think one thing that needs to be said is that when you take a look at environmental issues, conservation issues, agriculture has been at the forefront of that, right from the time farming started. The biggest resource we have is our land base, and conserving that land base and making sure that there's a diversity there I think is critical to the profitability of our businesses.

If I were speaking to the agriculture committee, I imagine everyone would know what the Canadian Federation of Agriculture is. Just so this group understands, we represent about 200,000 farmers across the country. We have provincial farm organizations and a number of commodity organizations that participate in the discussions at CFA and help to establish some of the policy work we do.

First, with respect to the concept of a national conservation plan, the Canadian Federation of Agriculture really applauds the idea of moving ahead with something like this. We actually attended the initial stakeholders meeting that was held by Minister Kent. I thought it was interesting to be sitting around that table with a number of different stakeholders with the goal of conservation. I think engaging all of the partners in that discussion is critical up front.

You have our background paper. I'm not going to go through every word in that document, but I will highlight a few things that are in there.

I guess the first thing is the whole economic side of agriculture. Agriculture is responsible for a tremendous number of jobs in the country and 8% of our GDP. We're the largest manufacturing sector in Canada.

The reason I say that is because we have to recognize that when we're moving ahead with any conservation effort, we have to be conscious of the economic realities of the sector that could be affected by it. We quite often hear from our members that one of the biggest frustrations is that when you get into regulatory frameworks, the cost of dealing with those regulations can sometimes actually undermine the bottom line.

If it's done right, conservation can actually contribute to the bottom line. I know we've done things on our own farm where we've made steps to improve wildlife habitat and water quality. Indirectly, over time, we've actually seen the productivity on our farm increase. So sometimes you can end up with those win-win types of situations.

The second point in the brief talks about agriculture on the Canadian landscape. Now, 7% of the land is in agricultural use, but one thing you have to keep in perspective is that this 7% of the land is usually at the interface between urban and rural populations. That is where a number of the conservation issues really come to a head. It's that interaction between humans and habitat that really causes sometimes concern, and I think that is where agriculture can have the greatest impact moving forward.

One of the other things you'll note in the background document is that 30% of the farms in Canada now have what's called environmental farm plans. Basically, these are plans that are put together where farmers sit down, take a look at the environmental risks on their farms, do an assessment of those risks, and put a plan in place to try to address them.

I think one thing that's noteworthy is that the environmental farm planning process was actually started by farmers themselves. When they recognized that there was starting to be public concern about the practices out there, they started putting these environmental farm plans in place as a way to try to address some of those concerns.

I guess the key point, though, in moving ahead with any national conservation plan is making sure that stewardship and innovation are part of that whole process, and with that there would be incentives to make things happen. One of the difficulties is making people understand that farmers have this land base that is very expensive, and if you're going to set aside land for some conservation purposes, there may be costs incurred with that.

It boils down to this: if there's a benefit for all of society, there has to be some way of sharing some of those costs. The combination of stewardship, innovation, and incentives is usually a fairly effective way of getting conservation on the landscape.

There's a need for a science-based approach. I think all too often we see rules and regulations develop with the idea that this will solve the problem, but we have to make sure that they're founded on sound research.

● (1535)

A good example would be the recently announced changes to the Department of Fisheries and Oceans and moving them away from municipal drains, which are drainage ditches designed to drain farmland, but the fish decided there was a good water course there so they moved into it. But one of the science things behind that is that those drains have to be maintained from time to time. So you may be damaging one drain, but overall the habitat—because you're doing that ongoing maintenance—is creating it. So there is a critical need for a science-based approach.

The other thing I think we should look at with the whole national conservation plan is a way of using that as part of branding Canada. More and more we're seeing retailers starting to look at environmental qualities in the products that are produced, and I think there is a unique opportunity, if we get this national conservation plan right and we're doing the right things for the environment, that we can actually spin that into a marketing initiative both nationally and internationally with the Canada brand.

The other point when you're looking at a national conservation plan is finding a way to harmonize across departments and make sure that your regulations are approached in a systematic manner. One of the things, working with a national conservation plan, is that likely one of the biggest challenges is figuring out how you get all of the different jurisdictions agreeing with the direction that needs to be set. This is because you'll have provincial governments, conservation authorities, and the national government looking at how you implement it, so harmonizing the regulations at all three levels of government and harmonizing the approach are critical.

Concerning next steps, there are a number of land policy initiatives that are described in the document. Environment Canada has activities they're involved with. We have the Growing Forward approach that's taking place now with agricultural policy planning. There are also other organizations that are working on conservation initiatives. Delta Waterfowl is one I can mention, and Ducks Unlimited. There are a number of those groups that are critical in making sure that the national conservation plan works because it's going to be about building the partnerships as we move ahead. I think those partnerships hold the key to the success of having a national conservation plan that would actually have support of a broad range of people from a number of different sectors in Canada.

With those brief comments, I will stop talking there. I think that likely the dialogue back and forth between us will likely twig a few issues for you to discuss, and then maybe in questions and answers we can get into more detail.

Thank you.

● (1540)

The Chair: Thank you, Mr. Bonnett.

Next, we have ten minutes for Keystone Agricultural Producers. Thank you.

Mr. Doug Chorney (President, Keystone Agricultural Producers): Thank you very much.

On behalf of Manitoba's Keystone Agricultural Producers, I'm pleased to have the opportunity to talk to you today on prairie agriculture's role in the development and implementation of a national conservation plan.

Keystone Agricultural Producers is a general farm organization, a member of CFA, representing individual family farms as well as 22 commodity groups within the province. So we represent a broad base of the agricultural spectrum in our province.

Let me start by saying that we are passionate in our belief that farmers and farm groups must play a significant role in both the development and implementation of a national conservation plan, if it is to achieve widespread success. With proper programming to help inform and provide incentives to farmers, we are certain they can bring the bulk of soil, water, and habitat stewardship to sensitive areas as needed.

Farmers are uniquely connected to the environment because our economic survival depends on our ability to successfully integrate our farms into the surrounding landscape. We learned long ago that attempting to simply use land and water resources without giving back is rarely successful in the long run. As we get into defining how an NCP could work, KAP believes it should identify conservation and environmental priorities, and then establish a framework that guides both government and other stakeholders in the development of tools that will achieve these priorities.

I might add that we must be realistic in identifying all stakeholders who are involved in using resources, both directly and indirectly. One of the basics of an NCP should be a commitment to engage all stakeholders and create a meaningful dialogue. That being said, I do want to stress that goals that bring together environmental successes and farm successes need to be given priority in this process.

Because of the nature of our work, many conservation problems affect farmers directly. These, as we all know, range from excess moisture and flooding to alien plant species that have inadvertently been introduced into our environment from around the world. These problems impact many thousands of hectares, certainly some food for thought.

Let me move on to implementation. Currently there are three methods of achieving conservation goals. An NCP should recognize the effectiveness and the role each one can play. First is education, a critical step. For example, farmers often hear government and the urban public calling on us to do more to protect the environment, but often we're not provided with information on how we can do this.

Providing this information can be a government initiative or an industry initiative. Take the example of the environmental farm plan program, which Ron alluded to. Funded under the federal-provincial Growing Forward policy framework, this has been very successful and it has educated farmers on reducing the negative impacts of their agricultural operations and how that will interact with the environment.

Participating farmers are guided through a self-assessment of the environmental performance of their operation and assisted in identifying areas for improvement. After completion and an approval process, they become eligible for various government incentive programs to help them cost-share the expense associated with implementing beneficial management practices that will improve the environmental performance of their farms.

The EFP program has been tremendously successful in Manitoba. To date, I believe 6,427 farms have completed it. That's significantly higher than the 30% quoted by Ron, but Manitoba has been very successful, so that's good. An NCP, in our opinion, should recognize existing programs like this.

Wouldn't it be remarkable for an EFP model that could provide a framework for education programs in other industries? A good example of industry-led education is the way in which KAP is partnering with the lake-friendly conservation initiative in Manitoba to educate farmers about how they can reduce the impacts of how their farms operate on Lake Winnipeg.

The lake currently has high levels of nutrient buildup, blue-green algae growths, and pockets of eutrophication, which are threatening its health and its entire ecosystem. There is no single point of pollution to blame for the problem, and all citizens in the Lake Winnipeg watershed must take action. The lake-friendly initiative and KAP are working with government, academics, and NGO stakeholders, like Delta Waterfowl Foundation and Ducks Unlimited and IISD, the International Institute of Sustainable Development, on a communications strategy that strives to influence ail Manitobans. An NCP needs to identify, recognize, and promote initiatives like this and take action at a local level.

I promised you three methods of achieving conservation goals, and here's the second. It's called incentives. Because there are often significant costs associated with a landowner undertaking a conservation project or a farmer changing his production practices, and society as a whole benefits from this effort, KAP believes that incentives are a necessary part of the equation.

● (1545)

By incentives, I mean compensation. KAP has been active in encouraging the development of an ecological goods and services program like the national alternative land use services program that provides compensation as incentive for adoption of sustainable practices. If done correctly and with adequate funding amounts, this is a very effective system. A national conservation plan must ensure that this principle of society paying for ecological benefits is a pillar of its program development.

Regulation is the third method of achieving conservation goals, and I want to touch on this briefly. KAP understands that there are instances when regulation is necessary. Unfortunately, Manitoba farmers have witnessed the development of regulations in the absence of sound scientific foundation and industry consultation and without the flexibility to be effective. The result is a regulatory environment that stifles industry growth, adds significant cost to farm operations, and fails to achieve its conservation goals.

Regulations must be based on peer-reviewed science. It is the responsibility of regulators to balance political and public pressure against sound science, using the latter as the primary rationale behind regulations. Regulations must include stakeholder consultation and input, because if they are not enforceable or reasonable they are often completely ineffective in achieving their goals.

Finally, an NCP should establish a framework for the development of conservation regulations that take into account unnecessary costs, or costs that are placed on only one sector. Those making the regulations must consider the economic impact of their new rules, and where significant impact on the industry results, they must attempt to find a better way to help offset the costs to the stakeholders affected.

In closing, I'd like to sum up by giving you an example of what has happened in Manitoba. KAP has been pressing our provincial government to develop and commit to a water strategy that addresses all issues associated with water in Manitoba, including its conservation, management, and use. This is contrary to what is presently happening, which is that issues with the health of Lake Winnipeg are addressed separately from the flooding that we periodically face. Manitoba needs to stop looking at the issues around the natural environment as silos and start treating the system as a whole. It is only now being realized that a strategy needs to recognize and address issues collectively if there is to be a successful outcome.

I would encourage you to take the same approach when looking at the conservation issues for Canada. Regardless of whether the goal is conservation-specific plants, animal species, or entire ecosystems, an NCP must be comprehensive in the same way.

This ends my presentation, and I thank you for the opportunity to speak today.

The Chair: Thank you to both witnesses.

We will begin our seven-minute round of questioning.

Mr. Toet, you have seven minutes.

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Thank you Mr. Chair.

Thank you to our witnesses here today.

Both of you touched a little bit on the ability for conservation to actually contribute to the bottom line in agriculture.

Mr. Bonnett, you talked about there being a win-win situation there. I wonder if you could just give us some examples of how the working landscape aspect of this can be a win-win for both conservation and for the farmer.

Mr. Ron Bonnett: I'll give you a very personal example. On our farm we run a cow-calf operation; it's basically a pasture-based system. Two things have been done on the farm in the last number of years. The first is using some of the incentive money from the environmental farm plan to fence off the cattle access to water courses. That has created quite a bit of habitat, as long as we can control the beavers so that they learn how much habitat they need. We have waterfowl, there's fish habitat, everything is there.

What we also did with some of that money is actually pump water from the streams up into the pasture fields. Well, what we found then was that productivity of livestock increased because they were not having to go down into the water bodies to get water. We pumped the water to them for different areas of pasture.

The second thing we've done is start a rotational pasture system, which uses a whole pasture management system that has pastures at different levels of maturity at all times. For habitat for birds, it actually works better. Again, we're getting more productivity out of the cattle because they are on very nutritious pastures as they go through the cycle. The fact that there are some pastures left to get more mature has created that habitat.

That's just one example on a farm, and there are numerous like that. The thing is that you need the incentive program to help with the capital cost up front to end up getting that win-win situation. Depending on where you are, that land that you're pulling out of production could be fairly highly valued land as well.

● (1550)

Mr. Lawrence Toet: Right.

Mr. Chorney, you also talked about the environmental and farm successes being part of the solution. If you could expand on that comment that you made in your presentation, I'd appreciate it.

Mr. Doug Chorney: Sure.

A good example would be from the lake-friendly initiative, which was actually pioneered by nine mayors and reeves in the rural municipalities of the south basin of Lake Winnipeg. Although it was a small regional project really to inform consumers on lake-friendly practices they could adopt, we're now looking at adopting a province-wide program that would include farmers, because we think farmers can be lake-friendly, and many of them already are.

So what we're looking at is being self-funding. In other words, we're not really going to be looking to government for incentives to drive this program. We think the efficiencies producers will realize by adopting lake-friendly practices in a lot of cases will help them be part of the program. For example, we're working with the Canadian Fertilizer Institute on using their 4R nutrient stewardship program as a good way for farmers to be more responsible in the use of synthetic fertilizers and at the same time save money and get better crops. So there's an economic reward for stewardship if it's done well in many cases.

Mr. Lawrence Toet: Would you see some of the wetlands rehab before reaching the lake, specifically Lake Winnipeg, as being part of this process, which we could be looking at on several fronts? It would also create flood protection for the whole province and create great biodiversity areas. Do you see that as one of the solutions agriculture would be willing to work with government on in creating those types of areas?

Mr. Doug Chorney: Absolutely. I know I've looked to the Red River Basin Commission, which is an international body including the northern U.S. and southern Canadian regions that are affected by the Red River. They have had several projects of deliberate water storage, not just wetland restoration, but actual tracts of land that have been set aside for storing water. Their goal, through this program, is to offer reduced flows of water in the rivers at peak flood periods without creating downstream effects. So this creates a passive water storage system that will automatically be in play whenever there's excessive runoff, but also gives farmers in the area protection during an excessive moisture event in the growing season. That program...it's not a dike, it's not sandbags, and it's not a diversion channel. It's actually going to store water. The landowners, of course, are compensated for that, and this has to be part of the program.

They have found in the three big projects they've done so far that this is the most economical type of flood mitigation. And we think, with the tremendous challenges last year brought to Manitoba and Saskatchewan, we need to start looking at and talking about these things more in Canada as well.

Mr. Lawrence Toet: Mr. Chorney, you also talked about the education of farmers, and you were talking about the environmental plan. Mr. Bonnett also touched on that. Thirty percent of farms now have an environmental plan. There's another aspect to that. Do you see the national conservation program having an ability to actually bring forward the education not only to the farmer, but to, for lack of a better term, the urban population, and promote an understanding of what's really happening out in the agricultural field and how they are part of the conservation solution?

Mr. Ron Bonnett: I think that would be critical. When we look at communication, there's communication among farmers, but a lot of that communication is getting around mainly by one farmer watching what the other is doing and driving by his farm and thinking, okay, that's working for him, I'll do it myself. So I think the incentives and some of the pilots that have been set up have done a good job with the communication there. I think the bigger challenge, though, is educating the general public on some of the practices that are taking place on farmlands today, everything from no-till tillage, which is reducing soil erosion, wind erosion, to things like integrated pest management to make sure that you balance your crop inputs with what is actually needed.

We're into a society now that's two and three generations removed from the farm, and they don't really have a good understanding of the types of things that are being done. I think there's a good-news story out there that needs to be told, and the main reason behind getting that story told is that then there's acceptance of the science-based types of solutions we're talking about, rather than solutions that are based on perception and emotion.

● (1555)

The Chair: And time has expired.

Next, for seven minutes, is Madame Quach.

[*Translation*]

Ms. Anne Minh-Thu Quach (Beauharnois—Salaberry, NDP): Thank you both for providing us with very valuable information.

You mentioned both tax incentives and value-added with respect to environmentally responsible agriculture. So we are talking about products that are commercially available, and for which people have privileged information, for instance as to their provenance or perhaps the way these products were grown.

Are you talking about making such information increasingly public, so that people may make better choices? Is this information you would like to see in the conservation plan?

[*English*]

Mr. Doug Chorney: Yes, that's exactly what was brought forward by our executive when we embarked on the lake-friendly initiative. It was that we would advertise this publicly with signage on the roadways that this is a lake-friendly-certified farm. A logical step to go from there would be to sell lake-friendly-produced products. I think there would be a marketing advantage in some cases when that type of branding, as Ron alluded to, can be advanced into the domestic local marketplace, and as well into the international marketplace. We have a tremendous reputation around the world as being an environmentally pristine, clean country. People come here to buy things like food because they feel it's going to be better. If that's true—I certainly think it is—that's great. If we can make some extra money because they think it's a little extra true because it's Canadian, then I think we should definitely take advantage where we can.

[*Translation*]

Ms. Anne Minh-Thu Quach: Do you believe this measure could affect labelling regulations, for example? Would it deal with labelling or rather advertising, or perhaps both?

[*English*]

Mr. Ron Bonnett: I would think it would be a marketing initiative, as opposed to getting involved in trying to put some complex regulations around the labels. I think it could be treated as a marketing initiative.

One of the things, though, that is starting to happen is we're finding that retailers are actually starting to demand things like the carbon footprint or environmental footprint. What would likely end up happening is those would evolve into a marketing initiative. Part of that would likely be some type of a verification process to prove that you're actually doing the things you are saying you do. Some of that is actually taking place now with some agricultural commodities. People are documenting what they are doing just to get higher-value markets. That's a conservation footprint or a conservation brand that is gaining widespread acceptance. If you look at some of the more advanced economies, if you take the European Union, for example, they have really advanced their marketing on environmental types of incentives or production practices.

[*Translation*]

Ms. Anne Minh-Thu Quach: Thank you.

In your opinion, how could the conservation plan fit in with agriculture? Is there one approach that would be more appropriate than another for the conservation plan to meet farmers' needs, while encouraging them to be more environmentally responsible?

● (1600)

[*English*]

Mr. Doug Chorney: We have actually done a pilot project in Manitoba in the RM of Blanchard, where for three years we piloted the alternative land use services program. The cost of the program, I believe, was $1.8 million for the three years. It's believed that an ALUS program—alternative land use services—for all of Manitoba could be implemented for about $20 million per year. We think that would be an excellent way to build a program that works with farmers. I think it is a good idea to try to help agriculture adopt these practices, rather than impose regulations on them without their cooperation.

In the case of the environmental farm program, which was a fairly modest public investment, producers are reaping the benefits. I know on my own farm I went to a single-pass seeding and fertilizing operation, and four years ago I was given 30% of the capital cost assistance for the equipment I needed to convert. Now every year I am doing this over and over again, because it makes sense to do it. I have the equipment, which was initially a barrier for producers. Once you have that equipment, when a good idea is adopted, producers will tend to continue. For a modest public investment, you can have many years of public benefit. I think it can work.

Mr. Ron Bonnett: On moving ahead with the conservation plan —and Doug alluded to it—the first thing is establishing some of the priorities. Those priorities may be water, soil conservation, or wildlife habitat. Then the next step would be sitting down with farmers and farm groups to take a look at asking, “Okay, if these are the priorities, what can be done to enhance water quality, soil quality, or wildlife habitat?” Once you have identified some of the preferred methods for addressing those things, then you move into the incentive program or pilot studies in order to get people really engaged in implementing.

It's those three stages: I think you have to first identify what the priorities are, then look at the mechanisms for making it work, then put the incentive program in place to really get the uptake in the implementation.

[*Translation*]

Ms. Anne Minh-Thu Quach: Do farmers presently feel that they are not being sufficiently consulted by people in the department?

[*English*]

Mr. Ron Bonnett: I'll give you an example. I come from the province of Ontario. When I was the Ontario Federation of Agriculture president, we had the unfortunate incident in Walkerton. Immediately following that a whole series of regulations came out because people were desperate to try to prove they were doing something.

It got to the point that we spent two or three years getting back to the point that if you want to control the water quality issue, what are the issues that have to be addressed? Just don't throw a bunch of regulations out there thinking that's going to solve the problem. You have to get the people that are actually on the farm doing the work and making sure the types of things that are put in place have to be done.

That was one example where we ended up spinning our wheels for two or three years. We both had the same objective, having clean water, but there were two different approaches, and because we weren't engaged in that discussion at the front, it wasted a lot of time.

The Chair: Your time has expired. Thank you so much.

Next is Mr. Sopuck, for seven minutes.

Mr. Robert Sopuck (Dauphin—Swan River—Marquette, CPC): Thank you very much.

Thank you to our two presenters for top-quality, excellent presentations.

Quite frankly, colleagues, if we gave the whole national conservation plan to the farmers and ranchers, and had them design it for us, it would be a top-notch product for our country, and I'm not speaking facetiously.

Mr. Bonnett, do you think that the working landscape should be a priority for the NCP?

Mr. Ron Bonnett: Please explain what you mean by working landscape.

Mr. Robert Sopuck: The working landscape, the working agricultural landscape, and by extension the working forestry landscape, because Canada has a lot of landscapes that are essentially pristine, so there's that zone of intense use. Should that be a priority for the NCP?

Mr. Ron Bonnett: Yes, definitely.

I mentioned that the agricultural land is actually where that interface takes place between urban communities and the rural landscape. That's where a lot of the concern around environmental issues takes place, because as you mentioned, the pristine landscape is basically the way it's been for close to a thousand years.

I think that concentrating on some of the agricultural landscape would get you a lot more bang for your buck on improving any conservation objective.

● (1605)

Mr. Robert Sopuck: Are farmers and ranchers in a very strong mood these days to participate in programs that may result from the national conservation plan?

Mr. Ron Bonnett: There would be a certain amount of "show me the money". I think what we're finding is that farmers are starting to see some of the benefits—as I said, the win-win situations. But often when you're moving ahead with something new or innovative, it does take some seed money to get that up and going.

The other thing I think you have to be conscious of is that if there were a real conscious effort on moving ahead with stewardship initiatives, as opposed to a regulatory framework, I think it would be fair to say that farmers are the type of people that when you come at them with a regulation, they actually have a little bit of this head-to-head type of reaction.

If you're looking at how we can make a win out of this, how is it good for the environment, how is it good for me and my farm, I think you'll find farmers will be stepping up.

Doug mentioned the environmental farm plan program. Right now, in the province of Ontario, when that money is announced every year, about six hours later it's all allocated for the full year. There's that much pent-up demand. So farmers are actually really stepping forward to do it, providing the program to make it work.

Mr. Robert Sopuck: Mr. Chorney, give us some quick thoughts on how a national incentive-based ecological goods and services program might work for Canada.

Mr. Doug Chorney: I think you would have to look at all the highest-risk environmental areas initially. You would have to look at where you can make the biggest impact and use incentives for the people managing the landscape in those sensitive areas to adopt practices to protect them.

In the case of wetland restoration and water storage, there are some challenges. In fact, I have been challenged by some farmers who have heard me on the radio talk about wetland restoration, and they're saying, "Your organization's against drainage." I'm not against drainage. I think drainage is an essential tool for producers. But there are farmers who don't feel they should have to hold water for anybody. The challenge for the producers is the economic signals they're getting in regard to seeding and cropping every arable acre that's in their control, if possible.

If we were to give them different economic signals through an ALUS program that gave them compensation or just removed the property taxes from that land they're putting into conservation as a simple incentive, that would cost very little and it would be a good start.

I think we could take a staged approach. Obviously, at times like this our public treasuries are provincially and federally challenged to take on new initiatives. Maybe we need to take a staged approach and not move into this all in one year. Through that slow, staged process people will learn how they can be part of this.

Mr. Robert Sopuck: Do you think an incentive-based ecological goods and services program, if implemented properly, could actually replace the need for expensive regulations?

Mr. Doug Chorney: It would depend on what context. Certainly you're going to always be in a situation with industry where you need to regulate emissions and things like that, and you can never depend on incentives completely.

Mr. Robert Sopuck: Right.

Mr. Doug Chorney: I think we have to look at the big public interest that's at stake in regard to irresponsible practices.

I think you need a combination. There has to be a regulatory component to the incentive component, I think, to be truly in the public's best interests.

Mr. Robert Sopuck: If we did have an incentive-based ecological goods and services program, would you have a rough idea of what pricing might be used? How could the ecological goods and services be priced?

Mr. Doug Chorney: No. I have the estimate of $20 million for Manitoba, but I don't have a national number.

Mr. Robert Sopuck: Okay. But how about per farm, on a per acre basis?

Go ahead, Ron.

Mr. Ron Bonnett: That would actually depend on the types of priorities—if it's water issues, if it's wildlife habitat. Just to give you an example, I know that there was some legislation being proposed in Ontario about protecting certain land-based birds, and the production cost to farmers was going to be fairly high on that.

So again, it could vary, depending on the farms. I think this is why I'd go back to really setting what the priorities are to start with, in order to get a handle on what the costs would be. Set the priorities and identify what some of the options might be for solutions, and then I think you could get into some of the costs.

Just to comment on your question on regulation, though, I think we'd likely understand that regulation may be necessary, but it's the last-ditch approach. Stewardship incentives should be number one in trying to get that cooperation, because that is where you get a lot more bang for the buck.

● (1610)

Mr. Robert Sopuck: Yes, and getting a bang for a buck is what we're all about these days.

Mr. Chorney, I think you talked about how we can't silo conservation into one department and how there has to be a multi-departmental look at this.

Mr. Bonnett, you talked about the changes we're making to the Fisheries Act. It sounds to me like you're fairly supportive of those changes.

By and large, is the agricultural community supportive of those changes we're making?

Mr. Ron Bonnett: Yes, the changes to the Fisheries Act have a large amount of support.

I actually received a number of phone calls from farmers concerned about the complicated process for just getting drain maintenance approved in the past, because of the multi-layers. You'd have the Department of Fisheries and Oceans, sometimes the Ministry of Natural Resources in Ontario or the Ministry of Environment, plus local conservation authorities.

This way, you can get it streamlined down to real quick decision-making.

The Chair: Your time has expired. Thank you so much.

Ms. Duncan, you have seven minutes.

Ms. Kirsty Duncan (Etobicoke North, Lib.): Thank you, Mr. Chair.

I thank our guests. It has been really interesting, and I thank you for your time and effort.

I'm going to get a little more specific. Should the government be considering renewable energy projects as part of a conservation plan, Mr. Bonnett?

Mr. Ron Bonnett: I think renewable energy is a piece of it. One of the things that I think we're starting to see is that technology is changing very quickly. If I take a look on-farm at the types of projects that are going on now.... On our own farm we've put some solar panels in place, but a lot of farms are putting methane digesters in place now.

If there are incentives and encouragement to enter into those types of things, I think it does two things. It creates some of those sources of renewable energy and reduces some of the dependence on fossil fuels, and it also creates another income stream for farms.

But I think what we're seeing happening now is that technology is changing fairly rapidly, so the costs of those systems are coming down and the efficiency is going up. Just to give you an example, even on the solar panels, the price of those units dropped 30% in the last two years, just because the technology started expanding. A number of things like that I think could be part of a national conservation plan.

Ms. Kirsty Duncan: Mr. Chorney, can you give us very specific recommendations that you would like to see in our report? What would you like to recommend to the committee about renewable energy and what support might you like? Because there is a benefit. There's a benefit to the atmosphere and there's a benefit to the bottom line.

Mr. Doug Chorney: We've a really good example of that in Manitoba with IISD, the International Institute for Sustainable Development. They've done a cattail project, where they've used cattails to extract nutrients from the Netley-Libau Marsh. They've actually proven that this technology works. You harvest the nutrients and use the cattails as a source of bio-energy, and then the ash can be reused later on as fertilizer. Although we consider the nitrification risks to Lake Winnipeg to be a tremendous liability for our environment, this could be our next big asset for the future if we can harvest these nutrients and somehow market them as a fertilizer. Fertilizer is a big variable cost for producers. If these nutrients are all tied up in sediment in the lake, any work that can be done on technology to extract those nutrients would be very useful.

Ms. Kirsty Duncan: Thanks, Mr. Chorney.

Mr. Bonnett, what would be the specific recommendation? You can have two or three minutes.

Mr. Ron Bonnett: I just jotted down two or three things.

First is research. I think, definitely, on the whole energy side, there's going to be an ongoing need for research and innovation.

The next thing is looking at tax policy to encourage private investment. I have another story I could tell you about Revenue Canada. I'll just leave that for now. That's a whole different story.

The other thing that enters into it is long-term contracts. If you can get into long-term contracts for selling power, then all of a sudden you can start costing that capital asset out over a long period of time.

Those are three things that just jump to mind right away quickly.

Ms. Kirsty Duncan: I appreciate that.

That takes me right into my next question. I think research and monitoring should be the significant keys to the conservation plan going forward. Is there any specific agricultural research you would like to see included?

● (1615)

Mr. Doug Chorney: Something that has been worked on at the University of Minnesota, on the Morris Campus, just south of Winnipeg, is the production of anhydrous ammonia fertilizer from wind energy. Although wind energy makes sense in Minnesota, because of the high cost of electricity, they're actually using a hydrolyzer to produce nitrogen, which they in turn use to produce fertilizer that can be sold to farmers. In Manitoba we have abundant hydroelectric power generated. In the hydro generation power system, there are times of the day when they have power they can't use. It becomes a real challenge for them. When you start producing fertilizer from electricity, it becomes like a battery.

We need research on those kinds of projects that can remove our dependence on buying fertilizer from outside our communities. We need to look at ways to use the assets in our province to alleviate a big right-now cost.

Ms. Kirsty Duncan: Mr. Chorney, what would be the recommendation you would like to see in the committee's report?

Mr. Doug Chorney: I would like you to recommend funding a pilot plant to produce nitrogen fertilizer from wind or hydroelectricity, I think. The challenge with this technology is that you can't buy off-the-shelf components, and it's very costly to do a pilot project. That's been a challenge for the University of Minnesota, as well. That's why it's important to have funding to get some of those kinds of projects going.

Mr. Ron Bonnett: The other component of research would be taking a look at how to use existing agricultural waste to generate energy. That gets away from that whole food-versus-fuel debate. There's all kinds of product that is not even used. Farmers have agricultural waste that could be used for generating renewable energy. We have to look at ways to do that. That could be cellulosic technology for producing ethanol, or it could be looking at direct combustion of some products, provided it can be done without any air pollution issues. There's a whole series of issues on using that agricultural waste.

Ms. Kirsty Duncan: Thank you.

I'm going to ask one last question.

Sadly, I know that you've had real trouble with flooding and in some cases with drought. What about disaster mitigation? Is that something we should be considering in the conservation plan? Because if we change stuff, if we do the prevention up front, we can have fewer disasters. Is it something we should be giving some thought to?

Mr. Ron Bonnett: I have just a couple of things to say on that. I think some of the incentives for water storage and water diversion are the types of investments that pay big dividends.

Ms. Kirsty Duncan: What are your recommendations for the report?

Mr. Ron Bonnett: The recommendation to the report would be to have a funded program to take a look at water retention and water diversion. They both go hand in hand.

I'll give you an example. In southwestern Ontario in the Norfolk sand plain a few years ago they were having serious problems with drought and they put a program in place where they provided incentives for farmers to provide off-stream storage for water. All of sudden they had irrigation water in the summer. While they were doing that, they also created some spillways, so that if a huge amount of water came in the spring, they reduced the effects of flooding.

By putting that incentive in place, you've got the benefits on both sides. When the floods came, there was a diversion that was thought out and it took the water away from where it had to go. But at the same time, it recognized that with a lot of the weather patterns we're seeing, extreme drought and extreme wet, they were able to store that water for irrigation.

The Chair: Thank you very much. Time has expired.

Next we have Monsieur Pilon.

[*Translation*]

Mr. François Pilon (Laval—Les Îles, NDP): Thank you, Mr. Chair.

Thank you for your testimony. Everyone knows that if scientists and farmers get along, it is good for productivity and for the environment.

Do you have any suggestions for the plan to foster a good relationship between the scientists and farmers?

[*English*]

Mr. Ron Bonnett: My first thought is to really take a look at innovation research into plant and animal research. One of the things we're looking at as we go forward is how do we increase productivity on our land base? A lot of that is going to be done by having better plants and animals. Where we've come in the last number of years with understanding the genome.... I know that even in the beef cattle industry now, you can take a DNA snip and you can have great predictability of what type of offspring you're going get. All of sudden, instead of feeding two animals on a plot of land, you can feed one and get the same type of productivity.

With conservation, sometimes we've had a tendency to look at conservation as going back and doing what we did a hundred years ago. We need to be shifting our thinking of how we use science and innovation to let us do more with less. That's a mind shift that has to take place.

Even the World Wildlife Federation has adopted the position now that high-production agriculture is likely the best way to save the environment and the world, because then you can get the productivity you need without tying up all kinds of land base. It also then allows us to set aside more of that land for conservation areas and wetland areas.

The short answer would be for innovation in research in both plant and animal productivity.

● (1620)

Mr. Doug Chorney: I had the opportunity to attend a conference in Ottawa last year where we talked about the future of food in the world and how we are going to keep up with demand. The bottom line is that we are limited in the amount of arable land that can be committed to agricultural production. In order to have sustainable food supplies for the world, we're going to have to make use of the resources available to us more efficiently.

I'm told that 20% of the fresh water in North America will flow through Manitoba on its way to the ocean each year, on average. Sometimes it's more, sometimes it's less. Therein lies a tremendous opportunity. They told us at this conference on the future of food that we're going to need to produce twice the crop per drop. We're going to have to use the water that we've got now and product twice as much crop from that water.

It appears to me that in Manitoba's example we're getting rid of water as fast as we possibly can at a time when it's obviously a challenge for the people who live in Manitoba. Maybe there need to be these storage projects to start planning ahead for the future when water is perhaps a more scarce resource, perhaps a conservation plan that brings researchers together with farmers to look at practical ways to do this.

Farmers can be quite responsive. In the RM of Dufferin, just south of Carman, we had a program undertaken by that municipality, where they paid $40 per acre—getting back to Bob's point about how much per acre—to set aside land for storing water. The cash rent for land in that market area is probably $75 to $100 per acre. You didn't have to pay the full cost of the land to get farmers to cooperate.

Often these set-aside acres are marginally productive acres to begin with, because they've been drained from previously being a wetland. Maybe it would be better to store water on them some of the time. If farmers are recognized as being compensated for the cost of this research and for this project, they will work and cooperate with scientists to find the answers to these questions that work for their farms and work for society.

[*Translation*]

Mr. François Pilon: Thank you.

Mr. Bonnett, your colleague has told us that an ecosystemic approach was better than a site-by-site approach. Do you agree with him?

[*English*]

The Chair: Mr. Bonnett, you have 30 seconds.

Mr. Ron Bonnett: There's one thing I might add. This is now being discussed internationally about taking a holistic landscape approach. I just returned from an international meeting in Kenya, where they're talking about the same type of thing, how to blend all of the values together to look at managing the landscape, rather than looking at it in silos.

The Chair: Thank you very much.

Closing off the questioning will be Mr. Lunney. You have five minutes.

Mr. James Lunney (Nanaimo—Alberni, CPC): Thank you very much.

I thank both of our witnesses for very thorough presentations today; they raised a lot of useful ideas.

I want to start with clarifying something. Mr. Chorney, I think it was you who remarked a minute ago, and I was a little slow on the uptake.... Did you say about Manitoba that 20% of the water flow goes to the Arctic, or...? Would you please repeat the early part of that—20% of what is passing through Manitoba?

Mr. Doug Chorney: On average, 20% of the fresh water in North America flows through Manitoba.

Mr. James Lunney: So this is your *Red Sea Rising* type of thing, like the big flood you had. Is that what they called it?

● (1625)

Mr. Ron Bonnett: They called it that.

Mr. James Lunney: The book in 1997 about the terrible flooding.

Yes, that's a lot of water moving through the Lake Winnipeg system and the Red River. It's amazing landscape there, with that river dropping I think four inches a mile—so it's quite a tortuous river system.

I think I also heard something in your remarks about the wetlands opportunities. This is where you're talking about science and innovation that maybe would identify areas that would not be highly productive, lands that formerly perhaps were wetlands, and finding a way to compensate for those, rather than high-value farmland, thereby optimizing use of the land and restoring habitat and water storage where possible. Is that what you meant by that, in terms of science and innovation helping to identify those things and making sure that incentives target the most appropriate land, therefore being more cost-effective?

Mr. Doug Chorney: Exactly. That's the experience they've had in Minnesota and North Dakota. The water storage projects were chosen based on LiDAR surveys that were done for the entire Red River basin, from the Canadian border south. This has been a long-term project the U.S. Army Corps of Engineers assisted the state governments with over many years, and the LiDAR mapping allowed them to get the data on where the best places would be to store water. When they went to these landowners, I'm told, they were fairly cooperative with the idea, providing there was some compensation, because they could see they weren't really getting crop off those farms every year anyway.

Mr. James Lunney: So that work was done south of the border, state-side. Is there any inventory of such work in Canada already, or is that the kind of work you're recommending could be done?

Mr. Doug Chorney: We had some LiDAR surveying done around the Red River prior to the construction of the expanded Red River floodway. That was felt to be necessary to design it properly. And there's been some other LiDAR work.

Last year, starting about May 7, I was on an emergency flood conference call every day at noon for about eight weeks with the Minister of Agriculture, the deputy minister, and many staff members. We were talking about opening the breach in the dikes along the Assiniboine River at Portage la Prairie. It became really obvious to me that they didn't know where the water was going to go. We had to have municipal stakeholders and provincial staff who were experts on the subject, and they were saying there's this creek here, there's that drain there, it might go this way, it might go that way. They were anticipating it could flood up to 152,000 acres of land in a worst-case scenario. As it turned out, it didn't get to be that extreme, thank goodness, but it simply goes to show you how important it would be to get this LiDAR work done.

I think that would be a good recommendation for your committee to consider, having LiDAR mapping data. It would be a fairly costly undertaking, but I think it would be a treasure for future planning for scientists and governments.

Mr. James Lunney: Thank you for that.

I want to go to another area here, a different direction.

Part of our objective here is conserving; it's connecting, restoring habitat, and then connecting people to rural areas again. Canadians are increasingly concentrated in urban areas, which brings me to that conflict zone, really, where the rural land and urban areas intersect or interface, as I think you said. You might want to comment on the challenges that presents. In connecting people with rural areas again, can you comment on what kinds of programs exist now to actually get people out of the city in order to understand what is going on in the farm community and about the land issues?

I think you mentioned how many species were on agricultural land. Is it 300 or 500, or something? You mentioned a huge number of species that are found on agricultural land, or one of you did in your presentation. That would be vertebrates. Can you comment on what ideas, what is happening, what could be done to help connect young people and new Canadians, for example, with agricultural and rural areas?

Mr. Ron Bonnett: There are a number of things that are being done now. Some of it is education in the classroom. Work is being done, primarily at the public school level, trying to make young students aware of some of the farm practices that are taking place. Most of the provinces have some type of farm-tour day. They have people come out to farms.

One of the more successful ones, I think, has been where farmers and farm groups have engaged the media and had media farm tours. That way you leverage it a bit. I think you could take one or two individuals out, but you don't get the same communications benefit that you do out of bringing some of the press out. Understand, when you bring them out, you have to make sure you're prepared to answer some fairly tough questions, to explain what it is we're doing and how we're doing it.

The Chair: Mr. Bonnett, Mr. Chorney, I want to thank you so much for being here as we work to provide advice to the government in preparing a national conservation plan. Your testimony was very much appreciated.

Colleagues, we're going to suspend for about two minutes and then move to the COSIA witnesses.

● _____ (Pause) _____

●

● (1630)

The Chair: Colleagues, I'll let you take your seats as we continue into our second hour.

I want to welcome the witnesses from COSIA. Thank you for making yourself available through video conferencing. It's a wonderful technology and it's good to see you here, over those great distances, from Alberta.

We have with us Judy Fairburn. Ms. Fairburn, I believe you're the chair of the shareholder steering committee. Then we have Mr. Alan Fair, the interim director of tailings environmental priority.

Thank you for being with us. We'll give you ten minutes to make a presentation, and then the balance of the hour will be for questions to you from members of the committee. Please proceed.

Ms. Judy Fairburn (Chair, Shareholder Steering Committee, Canada's Oil Sands Innovation Alliance): Thank you very much for that introduction and the opportunity to appear in front of the committee today.

I'm Judy Fairburn, executive vice-president of environment and strategic planning for Cenovus Energy. I am also the chair of the stakeholder steering committee for Canada's Oil Sands Innovation Alliance, or COSIA. It's a real pleasure to be here to discuss COSIA with you today.

COSIA is an unprecedented alliance of 12 major companies that will raise our collective game in oil sands environmental performance. We have a strong interest from other potential members as well.

The oil sands, as you know, are one of the world's largest energy resources, and they will be a very important part of the future of Alberta and Canada.

Developing the oil sands responsibly is essential if Canada is to continue to benefit as a nation from this resource. To do this we must continually challenge ourselves to improve our environmental performance. That is what COSIA is all about: accelerating the pace of improvement in environmental performance.

Innovation unlocked the resource potential of the oil sands, and innovation will help solve the environmental challenges. Indeed, we've seen tangible environmental progress already, but the pace of change, we acknowledge, has not been enough. We've listened to Canadians, and we know that our operations have an environmental impact. We've heard that Canadians want our companies to do better.

We believe that environmental stewardship is a shared responsibility among our companies. This recognition and our genuine desire to do better have brought us to the formation of COSIA.

COSIA is led by a chief executive, Dr. Dan Wicklum. We looked long and hard for Dan, because we were looking for the right person to lead COSIA. Dan has a background in environmental science and innovation leadership. Specifically, he has a PhD in aquatic ecology, was a faculty member of the University of Montana, executive director of an innovation organization called the Canadian Forest Innovation Council, and has significant experience in managing research and laboratory networks.

It is important to us that we have a scientist at the helm—someone who has a technical understanding of the environmental challenges our industry faces, as well as strong leadership qualities and experiences. So Dan's background is perfect for COSIA, as we're a science-based alliance that will be focused on environmental performance and innovation. In fact, Dan is travelling today on his way to a conference where he will be speaking and building alliances with those who have an interest in contributing to the work COSIA will do.

People have asked how this alliance is going to make a difference. What is so unique? What is our commitment? What are some tangible examples where collaboration is working?

First, what is so unique about COSIA? COSIA is an overarching strategic collaborative for our members. It's a hub, building on the experiences and successes of existing innovation entities that will be merged into COSIA through 2012.

COSIA is unique in four ways: leadership, line of sight, leverage, and linkages. When I say leadership I mean that the CEOs are taking a very hands-on approach to COSIA. The members of the stakeholder steering committee—largely at the VP level in each of the companies—which I lead, are all very senior people within their companies.

On line of sight, oil sands producers have never jointly set goals and worked towards them collectively. That's what line of sight is about for COSIA. We intend to set public goals, and we will report our progress toward meeting those goals.

Leverage is about working together to fast-track environmental innovation and avoid duplicating effort. COSIA will be the collaborative hub through which innovation developed by individual companies will be shared and leveraged. Sharing ideas will make sure that the best environmental ideas get adopted.

● (1635)

Finally, on linkages, we believe our companies need to look beyond our industry, and indeed beyond our borders, for new ways of thinking and for innovative solutions. We want COSIA to be the space where that innovation occurs and where we can build relationships with those who can help us move the bar in terms of improving environmental performance in the oil sands.

So when I am asked about what makes COSIA different, I say leadership, line of sight, leverage, and linkages.

Second, what are some tangible examples of successful environmental collaboration in the oil sands industry? We know collaboration works. We've seen it through the success of predecessor organizations, including the Canadian Oil Sands Network for Research and Development (CONRAD), the Oil Sands Leadership Initiative, and the Oil Sands Tailings Consortium, which Alan has been leading very successfully.

I'd like to highlight some of these collaborative successes for you now. The first is about several companies working together on a new technology to reduce carbon dioxide emissions from in situ oil sands operations. This GHG technology is expected to have several advantages over competing technologies, including the ability to capture 99% of carbon dioxide emissions and significantly reduce other air emissions.

A second example of successful collaboration is in the area of land reclamation. In February of last year, several oil sands producers came together to conduct a winter wetland planting trial in Alberta's boreal forest. Winter and planting are two ideas you normally don't think of together, but the companies found a way to make it possible. In temperatures as low as minus 25 degrees Celsius, 900 little black spruce trees were planted in a disturbed wetland site in northern Alberta. More than 94% of these trees survived. This is significant, because it will allow companies to revegetate areas that are difficult to access during summer months due to the muddy nature of thawed muskeg. We think this new technique will greatly increase our ability to reclaim natural boreal ecosystems.

The progress we've made in developing the oil sands, the steps we've taken to collaborate, and the efforts we've made to listen to our stakeholders are all steps on the journey to a brighter future. We believe COSIA will be key to helping us get there. As an alliance that builds on the successes of predecessor organizations, we will be able to offer a platform for even greater collaboration and will bring in a new era in responsible oil sands development.

Third, what is our commitment? The COSIA charter signed by our 12 CEOs starts with our vision, which is "to enable responsible and sustainable growth of Canada's oil sands while delivering accelerated improvement in environmental performance through collaborative action and innovation".

Let me read a few lines from our charter:

Our companies pledge to accelerate improvement in environmental performance as measured from a baseline in the priority areas of tailings, water, land, and greenhouse gas emissions; work with a broad range of participants within and outside of Canada; allocate multi-year human and financial resources, and initiate, participate in, and lead projects; listen, respond to, and work with stakeholders who aspire to our vision; assess and drive progress, remove barriers, and communicate the performance of COSIA in a transparent fashion.

I'm personally very excited about what COSIA will accomplish, and am thankful for the hard work and passion of many in our industry and beyond who have worked to create COSIA. To our knowledge, COSIA is the largest environmental performance-focused industry group of its kind on the planet, and we welcome other partners and interested companies, individuals, and organizations to learn more about what we are doing.

● (1640)

Our 12 companies remain competitors, and will continue to compete aggressively; however, we know that when it comes to the environment, we all win when we work together.

Improving environmental outcomes is also a journey for our industry, much like safety was a journey for us a few decades ago. We still have a lot of work to do. I'm confident, though, that our collective passion, commitment, and energy will help us make sure that COSIA reaches its potential and contributes to sustained and responsible oil sands development.

We have come together recognizing that none of us has a monopoly on ideas when it comes to the environment. We know that the sum of what we will do is greater than any individual effort. We are ready to respond to Canadians' expectations and accelerate the pace of improvement of our environmental performance.

Thank you very much, Mr. Chairman and committee members, for this opportunity and time today.

The Chair: Thank you, Ms. Fairburn. We appreciate your testimony and this presentation, and we have your comments in both official languages.

We'll begin with Ms. Rempel.

Ms. Michelle Rempel (Calgary Centre-North, CPC): Thank you, Ms. Fairburn, for that very informative presentation.

From my time at the University of Calgary in research administration, I've seen a lot of the work that industry has done in this field. It's really neat to see COSIA come together with the principle of accelerating those innovations.

We're here today to discuss the positive environmental outcomes as a result of your mandate, so I'd like to start by clarifying that.

On April 4, in statements made in the House of Commons, an NDP colleague repeatedly referred to COSIA as an oil sands lobby group. Would you characterize this statement as accurate? If not, can you clarify for the members of the committee what your mandate is?

● (1645)

Ms. Judy Fairburn: COSIA is not about policy or advocacy. COSIA is a science-based organization, with a laser focus on accelerating input in environmental performance in the oil sands.

Ms. Michelle Rempel: In order to achieve the positive environmental outcomes your group envisions, COSIA needed a leader with a strong background in environmental science. It's my understanding that through an open and competitive recruitment process you've retained a senior scientist with in-depth experience in the area. This scientist is on a fire-walled, one-year, unpaid leave of absence from Environment Canada and is cognizant of, and subject to, federal confidentiality guidelines. Is this correct?

Ms. Judy Fairburn: I'm the chair of the shareholder steering committee, and our main focus in that senior-level committee is the strategy and the scientific aspects of COSIA. There's a separate board that deals with administrative matters. However, I do believe your statement to be correct.

Ms. Michelle Rempel: Just to summarize, based on the nature of the mandate that you've just clarified, the need to have a senior environmental scientist at the helm of COSIA in order to achieve positive environmental outcomes, the true nature of Dr. Wicklum's appointment, and the selection process that you've just made clear for us, would you characterize the following statement made in the House of Commons by an NDP member on March 5 as accurate: "When a senior Environment Canada regulator suddenly becomes the head of a pro-industry oil sands group, there is a pretty obvious conflict there."

Ms. Judy Fairburn: I wasn't aware of that statement, but as far as I am aware, there is nothing problematic about Dr. Wicklum or the process that resulted in his hiring.

Ms. Michelle Rempel: Now that that's out of the way, there are a couple of things in your statement that are really exciting. You talked about COSIA being the largest environmental performance-focused industry group of its kind on the planet. Are there some best practices you hope to take out of a consortia approach to this that could be applied to other environmental standards, from an "acceleration of innovation" perspective?

Ms. Judy Fairburn: Our main focus within COSIA is on accelerated environmental performance in the oil sands. We have developed a model from some of the best practices already in the industry related to oil sands tailings. This model is probably the only one of its kind. It has been an excellent model for us. We are committed to setting longer-term goals for the oil sands industry. We're taking a very strategic approach. We know that the public and our employees would like us to progress, and that's our intent.

Ms. Michelle Rempel: Great.

You guys have this robust structure you're going to embark upon. The organization is new. What would be your first priority, as you've launched here, for environmental outcomes?

Ms. Judy Fairburn: Thank you very much for the question.

There's a lot to do. We have 12 companies involved. There is excellent commitment right from the top of the house, across those, and we have a new chief executive.

The first line of business is that we're completing the hiring process. As you heard, Alan Fair is our interim tailings director. We're in the process of hiring for the other main environmental priority areas of land, GHG, and water. We're also working on the strategic plan for the organization, which includes the path to goals. We are also working on formation of the structure that will enable the sharing of best practices and technologies in those four priority areas, but predominantly water, GHG, and land. The tailings area is well in hand with the current organization.

So we have a lot on our plate. We envision that by the end of 2012 we'll be able to engulf and pull in all the great work that's been going on as well in the predecessor organizations I alluded to earlier.

Ms. Michelle Rempel: Great.

The interesting thing here is that you're actually creating new intellectual property that not only has environmental benefits but also has an economic outcome. I know that with the previous organizations you're amalgamating there was some existing IP that has been quite effective. You alluded to that in your presentation.

How is COSIA going to create that balance of ensuring that you have the economic benefits of the intellectual property while deploying it in an accelerated fashion?

● (1650)

Ms. Judy Fairburn: That's a good point for clarification. Indeed, our laser focus is on accelerating environmental performance. We have realized that working together on the environment is in the best interests of Canadians and in the best interests of our industry. So we're sharing best practices and intellectual property that have the environment as the prime driver. That is the intent.

Our thought, as well, is that COSIA has come together, because we realized that we were doing some great work as individual companies. We had started to do some good work in some of the predecessor organizations, but we're at a new level now in terms of the desire to be even that much more effective working together so that we can further accelerate the pace of environmental improvement.

Ms. Michelle Rempel: You talked about priority-setting among industry, working with other stakeholder groups on those environmental outcome targets. Could you talk about some of the processes that you might have planned to develop targets, and then perhaps some of the projects that would align to meet those?

Ms. Judy Fairburn: One of the principles in the charter we signed is that we intend to listen to, respond to, and work with stakeholders who aspire to a vision. That's a key principle of ours. We intend to work with those who have the expertise in various communities—academic and innovation entities at provincial, federal, or international levels, as well as environmental interest groups that have subject matter expertise, as we progress through our plans, our priority areas, and our goal-setting.

The Chair: Ms. Fairburn, I want to thank you.

Next we next have Madame LeBlanc for seven minutes.

Ms. Hélène LeBlanc (LaSalle—Émard, NDP): Thank you very much.

Thank you very much for the presentation.

There's a saying, “Necessity is the mother of invention.” I'm wondering what incentives brought about this group.

Ms. Judy Fairburn: That's a great question, and I think it puts some perspective on that.

We recognize that our industry, Canada, and all of us are part of a global marketplace. There is tremendous innovation that goes on in our industry to unlock the oil sands in their very beginning. Innovation and productivity are key to continuing, particularly on the environmental front, the successful competitiveness of our industry, which is of broad benefit to Canada.

Ms. Hélène LeBlanc: So what you are saying—

Ms. Judy Fairburn: So what's really driving us is global competitiveness and realizing that the bar has risen globally and that we all want clean and affordable energy.

Ms. Hélène LeBlanc: So you are saying that it's mainly based on profitability and on developing technology, it's not really based on protecting the environment. It's mostly based on profitability—or what was the reason that brought about your group's formation?

Ms. Judy Fairburn: We recognize that the industry has environmental impacts, and we want to minimize those. That is a key belief that we have. So there's a strong commitment to innovation and collaboration to really progress where we're going on the environment, and accelerate our environmental performance. That's our vision: to accelerate improvement in environmental performance.

Ms. Hélène LeBlanc: What was the incentive for companies that are profit-based to do that? What was the incentive? Was it government regulations? Was it provincial regulations on the environment that forced you to do that, or was it just an initiative that was just brought up?

I'm trying to find the timely fashion of this process.

Ms. Judy Fairburn: We recognize that there is a social licence to operate, and clearly we want to go there. We also know that when you operate in the most environmentally friendly and efficient manner, actually longer term, that also makes great business sense too. I'll give you an example.

My firm, the Weyburn Carbon Dioxide Sequestration Project, is a win-win of helping GHG mitigation and having a more efficient way to recover energy. The same thing goes for a lot of the technologies that are evolving in oil sands. At the very best, say in the technologies that we use in my firm, which is to use wells to recover oil sands from under the ground with minimal disturbance, what you can do is have the most efficiently designed wells and process, and thereby you don't use as much energy, you don't use as much water, and you don't disturb as much land.

There's actually a very synergistic aspect when you push yourself to be more efficient and more environmentally friendly.

● (1655)

Ms. Hélène LeBlanc: Okay, I have a two-part question. Who will fund the R and D, and who will benefit from the R and D, the technology that will be coming out of the R and D, as part of the funding. And then who would benefit from the R and D that will be done, eventually?

Ms. Judy Fairburn: Just for clarity here, COSIA is a strategic planning organization for the environment. What we are doing here is we are saying that we want the minister to accelerate environmental performance.

We are going to put together that road map on how we want to get there. It's actually the companies that are involved in COSIA that are spending the R and D and spending extensive dollars on innovation. For example, Suncor, one of our firms, is investing $1.2 billion to construct infrastructure to move toward avoidance of tailings ponds in the future. So there will be considerable dollars spent by the companies on innovation.

Who benefits? We've looked at all of the companies, who they are involved with and the like, and we can work and find expert solutions across our nation and internationally. In fact, my own firm is working with different universities and a company in Quebec on GHG mitigation advancements. There is no monopoly on best ideas here locally. We really are looking at tapping into the best ideas across Canada and globally. In my mind, that's who benefits.

Ms. Hélène LeBlanc: I would like to come back to the appointment of Mr. Wicklum. Do you find that there is kind of a...? There are two sides to a story. There's the private company that does its job at making profit and going with private goals, and then there's Environment Canada, which is a public service, and which is there to keep a check and balance.

With all the people and all the experts that are there, and there are a lot of scientists—all kinds of scientists—isn't there a problem and a difficulty, then, of credibility when we take someone from Environment Canada on loan for a year, and then they return back to Environment Canada? We're sort of mixing things together.

I would like your comment on that.

Ms. Judy Fairburn: Sure. As I alluded to in my remarks, an extensive search was done, and the dual qualifications of a scientific background as well as having experience running an innovation entity wasn't an easy combination to find.

Again, COSIA is a science-based organization, and hence we are quite different from Environment Canada. We're not about advocacy, we're not about policy, we're not about enforcement. So very much the job that Dr. Wicklum has is to advance a science agenda. As such, again steps were taken, I'm aware, having been briefed, to really make sure that there was not going to be a problem through the hiring process.

One further thing to add is what I was briefed on was that the intent is for Dr. Wicklum to hopefully stay with our organization.

The Chair: Your time has expired.

Madame LeBlanc, welcome to the environment committee. I believe this is your first time here.

Ms. Hélène LeBlanc: Thank you.

The Chair: We also have a newcomer, and it's Mr. Anderson.

You have seven minutes, and welcome to the environment committee.

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Thank you, Mr. Chair.

I appreciate the opportunity to be here. These are important issues for those of us from western Canada, and I'm privileged to be able to speak about them.

I had a question for you, Ms. Fairburn. I've got a statement here, and I wonder if you would agree or disagree with this. If someone were to say they believe that the environment and the economy absolutely go hand in hand and we can work on them both together, is this a statement that you would find acceptable and you would welcome?

● (1700)

Ms. Judy Fairburn: Absolutely.

Mr. David Anderson: Pardon?

Ms. Judy Fairburn: Absolutely. The environment and good business go definitely hand in hand.

Mr. David Anderson: It's interesting. That's a statement that was made by Megan Leslie, who was the environment critic for the NDP. I'm a little surprised that the NDP aren't more enthused about your initiative. This seems to fit right in with what they would really see as something that's important, as industry that's being responsible environmentally. It seems like that's specifically what this initiative is about.

Is there any practical reason why anyone should oppose what you're doing?

Ms. Judy Fairburn: I believe that the formation of COSIA is critical. It signals a cultural evolution for our industry. I hope that those in the room there today are getting a feel for that.

Again, I'll draw the parallel that safety was a journey our industry embarked on and crossed probably worldwide a couple of decades ago, and it's significant. We want to make sure that everyone who comes to work knows that their personal safety is critical.

That's the same kind of analogy as how the senior leaders in oil sands feel about the environment. It is critical and integral to our business.

Mr. David Anderson: I think maybe that was the point that Ms. LeBlanc was trying to get to as well about the importance of the connection there between the environment and what it is that you're doing.

Mr. Fair, I think Ms. Fairburn mentioned that you're the tailings director. I would like to ask you a little bit about tailings, because tailings ponds and tailings have been a focus of attention for a number of years. Various types of oil sands developments deal with them differently.

I'm wondering, do you have any projects in place dealing with tailings and new technology to deal with that old problem? If so, can you tell us a little bit about that?

Mr. Alan Fair (Interim Director, Tailing Environmental Priority Area, Canada's Oil Sands Innovation Alliance): In fact we have several. As Judy alluded to earlier, the precursor to the COSIA tailings EPA is a group called the Oil Sands Tailings Consortium. The oil sands industry has actually for some years now been working together. COSIA takes it to a new level where we're collaborating among a broader number of companies, but we are actually commercially implementing some of the technologies that have been developed over the previous years where the oil sands industry has worked together.

Now we have a mechanism to in fact share those from one company to another. There are also a number of other technologies that are being considered. About this time last year we embarked on a cooperative effort with both the provincial and the federal government, an initiative referred to as the tailings road map study. That initiative is targeted to identify a number of potential technologies, whether they be from the companies themselves, from third-party technology developers, or in fact global, beyond Canada's borders, technologies that are being developed in other industries that may have some application in the oil sands.

In fact that report is scheduled to be complete at the end of May. The intent is that for a number of the technologies, the promising technologies in particular, we would focus effort as a consortium to develop those as well. So there are both technologies that are in the midst of being commercially implemented today, but also new technologies we're looking at.

At the end of the day, it will not be one single solution. It will in fact be a suite of technologies that will enable us to improve our performance in terms of tailings management.

Mr. David Anderson: Can you touch on one or two of those? What would have changed in the last five or ten years? I know we don't have a lot of time here, but what are you doing differently?

Mr. Alan Fair: Suncor is an example. Judy alluded to the $1.2 billion commitment they have made in a technology referred to as TRO, tailings reduction operation. That is one example.

Syncrude has made an initial commitment to commercially implement a centrifuging technology, using mechanical means to de-water the oil sands tailings.

Canadian Natural Resources Limited is working with Du Pont to develop a technology relying on a polymer to help flocculate and settle out the tailings faster.

There are additional technologies at the prototype scale. Something we call accelerated de-watering has been piloted on a small scale. Syncrude is embarking on an initiative to pilot this on a much larger scale.

I could go on. I recognize we're short on time, but there are numerous technologies being implemented, both commercially and piloted at a large scale, at the various operations in Fort McMurray.

● (1705)

Mr. David Anderson: Okay, so these are not the old-style tailings ponds that we're used to seeing.

I only have a minute and a half or so left. You had mentioned carbon capture and storage. I'm from Saskatchewan. It's a big deal in the Weyburn and Estevan areas, and used for enhanced oil recovery.

Can you talk about your new technology on carbon capture and storage and dealing with the greenhouse gas emissions from some of the new technologies that you're using—SAGDE, steam-assisted gravity drainage, as an example—to extract oil sands material?

Ms. Judy Fairburn: Indeed, GHG is one of the four priority areas for COSIA. A number of the companies have worked together on what we call an oxy-fuel combustion technique that provides for efficient carbon dioxide capture, along with efficient steam generation. That project is advancing to a fairly large scale and will be in place and operational in the middle of next year. That's a very important project for us, and it shows a direct commitment of oil sands, particularly the in situ side, to really advance GHG mitigation.

Mr. David Anderson: What are you doing to deal with water usage? I know that with some of the new technology you're recycling the water, and you need a lot of water to make the steam work. What are you doing to recycle the water, or do you have any technologies dealing with that? At the natural resources committee we've heard about a lot of those issues, of shale gas and those kinds of things as well.

Ms. Judy Fairburn: Water is one of the four areas we're looking to accelerate environmental performance on. Great advancements have been made in water usage.

Actually, in some of the leading practices in the operations that use wells, the in situ fresh water is just a small fraction of the water used. Generally what we're doing is taking the water from non-potable sources, from saline, which can't be used for humans. That's the water we're using for production of the steam to recover the oil.

Most of the fresh water used in our facilities is actually for the camps, to support the people who are there. That's a really important progression that we've made to that stage.

The second thing is, yes, recycling is extensive. A range of 80% to 90% of the water is recycled. We're continuing to advance intellectual property. Numerous patents are out there—which again gets to R and D and the innovation going on in this field in the oil sands, of worldwide recognition—to really tighten up that recycling and that use that much more.

The Chair: Thank you so much.

Next we have Ms. Duncan. You have seven minutes.

Ms. Kirsty Duncan: Thank you, Mr. Chair.

Thank you to our guests for coming and for sharing your stories.

I'll begin with very quick questions about the appointment. It's a secondment for a year? Is that what you said, Ms. Fairburn?

Ms. Judy Fairburn: Again, in hiring Dr. Wicklum, an extensive search was done for him. My understanding is that the people who did the hiring worked very closely with Environment Canada to make sure. Yes.

Ms. Kirsty Duncan: It is a secondment, is it?

Ms. Judy Fairburn: Yes.

Ms. Kirsty Duncan: Is it an executive exchange?

Ms. Judy Fairburn: For clarity, it's unpaid leave of absence for one year.

Ms. Kirsty Duncan: And is it the executive interchange program?

Ms. Judy Fairburn: No.

Ms. Kirsty Duncan: No. Okay.

And it's for one year, is that correct?

Ms. Judy Fairburn: My understanding is it's an unpaid leave of absence for one year.

Ms. Kirsty Duncan: For one year. And will he be going back to Environment Canada?

Ms. Judy Fairburn: That's a discussion that has been held with Dr. Wicklum and others, so it's not something I'm really able to comment on as the chair of the strategy committee.

Ms. Kirsty Duncan: That's fine.

What practical changes do you expect to be made as a result of your organization?

Ms. Judy Fairburn: That's a great, broad question, and we've formed this organization because we really want to accelerate.

Ms. Kirsty Duncan: Okay, let me bring the question again. For example, you've mentioned water and greenhouse gases. You said there are four priority areas, and I don't think we've heard them. So what are the specific goals in each of those areas?

● (1710)

Ms. Judy Fairburn: The four priority areas are tailings, as Alan referred to, water, greenhouse gases, and land. We recognize that those are four areas that matter to Canadians, and they're our priorities.

Ms. Kirsty Duncan: What are the goals?

Ms. Judy Fairburn: By the end of 2012 we will have rolled in the existing organizations. We will also have developed our strategic plans and goals. So we're on the journey right now to developing those goals.

Ms. Kirsty Duncan: So right now there are no goals for those four priority areas?

Ms. Judy Fairburn: We're actively working across all the companies towards getting the best inputs. So we've set informed goals, yes.

Ms. Kirsty Duncan: Okay. We know there's going to be a new water monitoring program. There have been concerns that this is not going to be an independent body. Since you are a science-based organization, will you be asking that this be an independent body?

Ms. Judy Fairburn: Just to reiterate, COSIA is an innovation and science organization, so we're not involved in policy and advocacy.

Ms. Kirsty Duncan: Okay.

I appreciate that you believe the environment and the economy are inextricably tied, as do we. There's been much change in the last week. With the budget implementation bill we have cuts to scientists, 200 scientists; we have the repeal of CEA; there are major changes to fisheries. The reality is about 120 pages of the budget are devoted to "environmental streamlining". I'll use the terminology that's used here.

Have you ever seen this before?

Ms. Michelle Rempel: I would ask my colleague to keep her comments relevant to the scope of this discussion today and to the outcome of positive environmental outcomes as a result of the Canadian Oilsands Innovation Alliance.

The Chair: Okay. We have a point of order, and you wanted to speak to the point of order.

Ms. Kirsty Duncan: I would like to respond to that. I think it's very relevant if this organization believes that the environment and the economy are inextricably linked, and it's clear they do. Now we've seen major changes to the environment, and I would like to know how they feel about that. Also, as a member of Parliament, we do have the right to question as we see fit.

The Chair: Ms. Rempel, on the same point of order...?

Ms. Michelle Rempel: Yes, Mr. Chair.

I appreciate my colleague's comments, but while questioning lines are one of the great privileges we have as members of Parliament, there are also frameworks and rules we must adhere to when doing that in committee, and one of them is to stay relevant to the scope at hand.

The scope at hand is the positive environmental outcomes of the Canadian Oilsands Innovation Alliance.

Ms. Kirsty Duncan: I'd like to respond.

The Chair: Is it on the same point of order?

Ms. Kirsty Duncan: Please.

The Chair: Carry on.

Ms. Kirsty Duncan: I don't think there's anything more relevant than my line of questioning right now. The budget has 120 pages out of 400 pages devoted to "environmental streamlining". I would use another word. It's 50 years of safeguards that are being eliminated. If we're talking about the science and the importance of science, and I agree wholeheartedly, I think this issue needs to be addressed, and I think our witnesses may have good input here.

The Chair: On the same point of order, Ms. Rempel?

Ms. Michelle Rempel: Yes, Mr. Chair.

I'd also remind my colleague that the budget implementation bill is subject to the review of the finance committee. We are sitting in the environment committee here today. I would encourage her to direct those questions to the finance committee.

The Chair: I think we've now moved on to debate, and I think we've—

Ms. Kirsty Duncan: Well, could I have a last response to that?

The Chair: No. I think we've heard adequate debate. I'm going to make a ruling so that we can move on.

The motion was to invite COSIA here, and I'll read it out:

> It was agreed, — That, pursuant to Standing Order 108(2), the Committee hear from Canada's Oil Sands Innovation Alliance, to discuss the anticipated positive environmental outcomes of their mandate at their earliest convenience.

I'm going to rule in favour of Ms. Rempel's point of order. I would ask you, Ms. Duncan, to focus on the reason why they've been invited. You were questioning on more generally the cuts to the environment and how that would possibly impact their research. Let's focus, then, on the reason why they've been called before this committee, and that's the positive outcomes on what they're doing.

Thank you.

● (1715)

Ms. Kirsty Duncan: Thank you, Mr. Chair.

I'll just finish by saying, since I have five seconds left, that—

The Chair: No, the clock was stopped. You still have three and a half minutes.

Ms. Kirsty Duncan: Do I? Okay.

I think it's important that it be said that I've asked that the environmental protection piece be removed from the Budget Implementation Act.

Let me understand, then. This year it's about building the team. It's about developing goals. Is that where we are in this?

Ms. Judy Fairburn: Correct.

Ms. Kirsty Duncan: Ms. Fairburn, is there anything else you can share about the science at this point?

Ms. Judy Fairburn: I think the most important thing I can say is that there's unprecedented collaboration on where we're going. We are working to bring the best minds together. We respect science. We want to have the best solutions, science-informed.

Ms. Kirsty Duncan: Are there any overarching goals in terms of where you want to get in terms of water? You can give me no goals on that, or we're just going to have to wait till the end of this year?

Ms. Judy Fairburn: I think we're just going to have to wait until that evolves.

You know, this is significant. This is different, unprecedented. This is leadership. The CEOs of our firms have signed this. They are going out there for an unprecedented opportunity here, to together set goals.

So yes, it is a journey. It's going to take us a little bit of time, but it's an important cultural step in our industry.

Ms. Kirsty Duncan: Ms. Fairburn, did we perhaps bring you in too early? Did we perhaps bring you into this committee too early? I mean, at this point you can tell us that you're building the team, you're working toward goals. Should we perhaps have brought you in at the end of the year, when you could have given us sort of the meat—your expectations, the goal, the strategic plan, the organization, the funding?

Ms. Judy Fairburn: Probably, or hopefully, our organization and the committee will have another opportunity to chat, but I think it's very important that Canadians know that the industry has taken this critical step. This is significant in terms of the commitment that's coming right from the top of our industry to really embark upon the evolution of.... You know, environment's integral to where we're going.

Ms. Kirsty Duncan: I appreciate that this critical step has been taken, but there's not much more you can tell me. I think perhaps we've done an injustice to you in asking that you come here. I think it would have been fairer for you to have come next year, when you could have given us your goals.

The Chair: I thank Ms. Duncan for the question and her suggestion.

Monsieur Choquette, *cinq minutes*.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Thank you very much, Mr. Chair.

I would like to thank the witnesses for being here today.

I would like to further explore Ms. LeBlanc's question about your funding. You mentioned that it is companies who invest in research and development. Do you receive subsidies from provincial or federal governments?

[*English*]

Ms. Judy Fairburn: Thank you for that.

Innovation of productivity is of critical importance to Canada. I'm proud of the R and D that is done in our industry, as well as the lead-on investments in commercialization up to the billions of dollars.

With respect to your question—

[*Translation*]

Mr. François Choquette: Ms. Fairburn, do you receive any subsidies or tax relief from provincial or federal governments?

[*English*]

Ms. Judy Fairburn: The SR&ED program is used by numerous Canadian organizations. That is a program that we consider as well. On top of that, our industry spends millions of dollars, and up to billions, towards commercialization and innovation on our own accord.

[*Translation*]

Mr. François Choquette: What percentage of your budget comes from provincial or federal governments' investment?

[*English*]

Ms. Judy Fairburn: In terms of the percentage of our R and D budget, it would be quite small.

● (1720)

[*Translation*]

Mr. François Choquette: What would that percentage be?

[*English*]

Ms. Judy Fairburn: Our industry spends millions and up to billions of dollars on innovation.

[*Translation*]

Mr. François Choquette: How much is that?

[*English*]

Ms. Judy Fairburn: It's *un petit* amount with respect to any money from federal or provincial governments. Our industry itself spends extensive dollars on its own accord.

[*Translation*]

Mr. François Choquette: For that matter, did you meet with government people over the last few months about the tar sands file?

[*English*]

Ms. Judy Fairburn: I myself have not.

[*Translation*]

Mr. François Choquette: I am not talking about you. Has anyone in your team met with government officials about the tar sands?

[*English*]

Ms. Judy Fairburn: I would appreciate your elaborating a little further where your question is going.

[*Translation*]

Mr. François Choquette: Did Mr. Dan Wicklum meet with government officials since he started his job?

[*English*]

Ms. Michelle Rempel: Mr. Chair, I have a point of order.

Ms. Judy Fairburn: The conversations that have gone on are associated with the launch of COSIA.

The Chair: Ms. Fairburn—

Ms. Judy Fairburn: All the public information that you have seen in the launch.... That is the extent of communication that I am aware of.

The Chair: Ms. Fairburn, one moment, please. We have a point of order.

Ms. Rempel.

Ms. Michelle Rempel: Mr. Chair, I raise a point of order similar to that I raised earlier today. We have a very specific scope that we agreed upon as a committee for this committee testimony today. I believe my colleagues are fully aware of that. I would remind them to direct their questions to the witness in a manner that is in alignment with the scope of the study today.

The Chair: Do we have any further discussion on the point of order?

[*Translation*]

Mr. François Choquette: No, that's fine.

[*English*]

The Chair: Okay.

I would agree. I would ask Mr. Choquette to make sure his questioning is in line. Whether or not Mr. Wicklum has been meeting is not focusing on the anticipated positive environmental outcomes.

Thank you.

[*Translation*]

Mr. François Choquette: Did you know that Mr. Dan Wicklum must observe a code of ethics as a public servant?

[*English*]

Ms. Judy Fairburn: Excuse me, could you repeat the first part of that question?

[*Translation*]

Mr. François Choquette: Did you know that Mr. Dan Wicklum was subject to a code of ethics as a public servant?

[*English*]

Ms. Judy Fairburn: I'll repeat my earlier messages. I'm aware that all of the best practices were followed with respect to the hiring of Dr. Wicklum.

[*Translation*]

Mr. François Choquette: Well, I will quote this—

[*English*]

The Chair: There was a point of order from Ms. Rempel just a moment ago. She asked and reminded us to focus on the anticipated positive environmental outcomes. I want to make sure we have an understanding that this is what the questioning should be.

Mr. Wicklum's appointment or qualifications were not the reason we invited COSIA to be here. Again, I remind Mr. Choquette to please stay focused on the questioning mandate.

Thank you.

[*Translation*]

Mr. François Choquette: Thank you very much.

The vice-president for policy and sustainability at TransAlta believes it would be a good idea to set a price for carbon. In your opinion, should we set a price for carbon?

[*English*]

Ms. Judy Fairburn: I believe your question comes from a policy perspective; so as I represent COSIA here today, which is a science organization, I would suggest that this is probably a little different from the subject I am appearing on today.

[*Translation*]

Mr. François Choquette: No, in fact, as you stated earlier, the economy and the environment must work together, but in order to support the economy and the environment, we need policies. Do some environmental groups support you?

[*English*]

Ms. Judy Fairburn: Coming back again, COSIA is laser-focused on accelerating environmental performance.

[*Translation*]

Mr. François Choquette: Do some environmental groups support you?

[*English*]

Ms. Judy Fairburn: I would suggest that the public and a number of groups will be very supportive of that.

[*Translation*]

Mr. François Choquette: Which environmental groups or universities support you?

[*English*]

Ms. Judy Fairburn: We have been quite open at the launch with respect to encouraging different universities and environmental groups and have had some good discussions across the wide range of land, those involved in GHGs, and concerning water and the like. As we've said concerning our charter, we're very interested in listening, responding to, and working with stakeholders who aspire to the same vision we aspire to of enhancing environmental performance of the oil sands.

● (1725)

The Chair: Monsieur Choquette, you have two seconds.

[*Translation*]

Mr. François Choquette: Thank you very much.

I apologize for being a little hard-nosed with you.

[*English*]

Ms. Judy Fairburn: That's okay.

The Chair: Thank you.

Moving on, for five minutes we have Mr. Woodworth.

Mr. Stephen Woodworth (Kitchener Centre, CPC): Thank you, Mr. Chair.

Welcome to the witnesses. Thank you for your testimony.

Five minutes is barely enough time for me to clear my throat, so I'm going to talk really fast. I'll begin by simply saying, in response to Monsieur Choquette's comments about what environmental groups support what you're doing, that I quite frankly can't imagine anybody, even an environmental group, not supporting the kind of cutting-edge work that you're doing. I commend you for it.

Ms. Fairburn, I want to begin by putting on the record your qualifications, not to embarrass you but to just get it on the record. You can answer yes or no to these very quick questions.

I understand that you're the executive vice-president, environment and strategic planning, for Cenovus Energy. Is that correct?

Ms. Judy Fairburn: That's correct.

Mr. Stephen Woodworth: And I understand that you previously have been a vice-president in charge of the Weyburn Project, which I understand is carbon capture and storage. Is that correct?

Ms. Judy Fairburn: Yes.

Mr. Stephen Woodworth: I understand that you worked for the Canadian government as a visiting executive in 2003 and 2004. Is that correct?

Ms. Judy Fairburn: Yes, indeed; I worked in the Privy Council Office at that point in time and was subject to all...yes.

Mr. Stephen Woodworth: I understand that you have had positions in engineering technology, operations, and business with the upstream oil sands and refining sectors. Is that correct?

Ms. Judy Fairburn: Yes, that's my background.

Mr. Stephen Woodworth: I understand that you have a master of science degree in chemical engineering. Is that correct?

Ms. Judy Fairburn: Yes.

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

[*Translation*]

Mr. François Choquette: I would like to remind my honourable colleague to stay on topic; today we are looking at associating science and the economy.

[*English*]

Mr. Stephen Woodworth: It's just groundwork.

The Chair: And positive outcomes.

Is there any further discussion?

[*Translation*]

Mr. François Choquette: I fail to see how Ms. Judy Fairburn's curriculum vitae is relevant.

[*English*]

The Chair: I'm going to be responding to your point of order, Monsieur Choquette.

Is there any other discussion on it?

I would agree with Monsieur Choquette and encourage Mr. Woodworth to focus on the positive environmental outcomes. You're showing the qualifications of the person, but the purpose of today's meeting is to focus on positive environmental outcomes.

Mr. Stephen Woodworth: I accept the ruling of the chair, and I hope everyone here agrees that what we've heard so far indicates that Ms. Fairburn is more than eminently qualified to focus on the positive outcomes through COSIA.

Ms. Fairburn, I understand that yours is a new organization, but surely you must be employing and building upon previous research that any number of companies have already conducted in the areas you're studying. Is that correct?

Ms. Judy Fairburn: Yes, indeed. A lot of great innovation has gone on across several companies in the oil sands and the predecessor organizations of the Oil Sands Tailings Consortium, OSLI, and CONRAD. We're really trying to take that to the next level now.

Mr. Stephen Woodworth: Are you also employing existing federally funded university research in the course of your work?

Ms. Judy Fairburn: As you recall, I mentioned that COSIA has leadership, line of sight to goals, leveraging among ourselves to really accelerate to the next level, and finally, linkages. We really believe strongly in tying into the best thinking across academia, research institutions, environmentalists, and entrepreneurs across Canada and beyond.

Mr. Stephen Woodworth: The NDP environment critic, Ms. Megan Leslie, has said the following: “Canada is being punished, because while other countries are moving ahead on climate, we are doing nothing. We have no plan on how to develop the oil sands.”

The Chair: Mr. Woodworth, we have a point of order from Monsieur Choquette.

[*Translation*]

Mr. François Choquette: Thank you, Mr. Chair.

I would like to thank my honourable colleague for quoting our excellent environment critic. Mr. Anderson has done so before and provided us with a wonderful quote. I think Ms. Leslie is doing excellent work. She mentioned the importance of associating the environment and the economy.

● (1730)

[*English*]

The Chair: That is not a point of order.

We have run out of time.

I want to thank the witnesses for coming.

Mr. Stephen Woodworth: My apologies.

The Chair: Yes, our apologies to the witnesses.

We had a good, healthy debate here. Hopefully we can invite you back and hear more about the good work you're doing in the oil sands.

Thank you so much.

I will accept a motion to adjourn.

Ms. Michelle Rempel: So moved.

The Chair: The meeting is adjourned.

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