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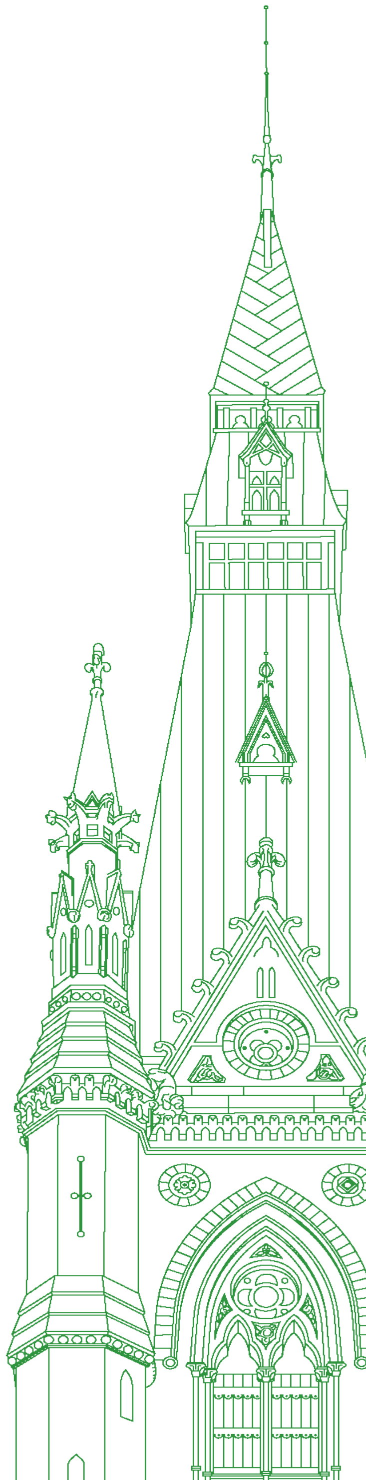

Chair: Mrs. Sherry Romanado

Standing Committee on Industry, Science and Technology

Tuesday, April 27, 2021

● (1120)

[*English*]

The Chair (Mrs. Sherry Romanado (Longueuil—Charles-LeMoyne, Lib.)): I now call this meeting to order.

Welcome to meeting number 34 of the House of Commons Standing Committee on Industry, Science and Technology.

Today's meeting is taking place in a hybrid format, pursuant to the House order of January 25. The proceedings will be made available via the House of Commons website. Just so that you are aware, the webcast will always show the person speaking, rather than the entire committee.

To ensure an orderly meeting, I would like to outline a few rules to follow. Members and witnesses may speak in the official language of their choice. Interpretation services are available for this meeting. You have the choice at the bottom of your screen of either the floor, English or French. Please select your preference now. I'll remind you that all comments by members and witnesses should be addressed through the chair. Before speaking, please wait until I recognize you by name. When you are not speaking, please make sure that your microphone is on mute.

As is my normal practice, I will hold up a yellow card when you have 30 seconds left in your intervention. I will hold up a red card when your time for questions has expired. Please keep your screen in gallery view so that you can see me waving the card. As we have a tight schedule today due to votes in the House, I will ask that you please respect the time allocated to you.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on November 5, 2020, the House of Commons Standing Committee on Industry, Science and Technology is meeting today to begin its study on the green economic recovery from COVID-19.

I would like to now welcome our witnesses. We have Mr. Brian O'Callaghan, lead of the economic recovery project, Smith School of Enterprise and the Environment, University of Oxford; Ms. Christina Franc, executive director, Canadian Association of Fairs and Exhibitions; Mr. Dave Carey, vice-president, government and industry relations, Canadian Canola Growers Association; Mr. Daniel Breton, president and chief executive officer, Electric Mobility Canada; Priyanka Lloyd, executive director, Green Economy Canada; and from the Toronto Community Benefits Network, we have Ms. Rosemarie Powell, executive director, and Kumsa Baker, campaigns director.

Each witness will present for up to five minutes followed by rounds of questions.

With that, we will start with Professor O'Callaghan. You have the floor for five minutes.

Mr. Brian O'Callaghan (Lead of the Economic Recovery Project, Smith School of Enterprise and the Environment, University of Oxford, As an Individual): Thank you very much, Ms. Chair.

Thank you to the standing committee for the humbling invitation to testify.

I'm speaking today in my role as lead of the Oxford University economic recovery project here at the Smith School of Enterprise and the Environment in Oxford.

Put simply, periods of economic downturn like we've just seen are the most poignant opportunities for economic rebirth. It's at these moments that governments have the greatest licence, and indeed the greatest imperative, to intervene in their market systems. Right now we have an opportunity to reshape the future of our countries to grow more and to do so equitably and sustainably.

The question is, in recovery, will we prioritize the industries of the past, those that are clearly on the decline and where we are losing competitiveness, or the industries of the future in which we can build long-term competitive advantage and enduring prosperity?

Our work at Oxford has considered primarily the economic characteristics of different policy options available to governments in response to the COVID-19 pandemic. On this basis, we advise leaders of nations, development agencies and businesses around the world.

In short, we found that policies that support a transition to a clean, more equitable, and often more digitalized, society can also provide higher short-term economic gains. By spending on green initiatives, we can create more jobs and induce greater economic growth in the short term while also driving long-term prosperity.

In May of 2020, I looked deeper into green investment with Oxford's Professor Cameron Hepburn, Nobel Prize winner Professor Joseph Stiglitz, eminent economist Professor Lord Nicholas Stern and Dimitri Zenghelis.

In our paper we surveyed over 230 leading economists representing central banks, finance ministries and the epitome of academia to understand what types of fiscal responses to the pandemic had the highest potential to boost the economy. The study found that there are industries that have both high economic growth multipliers and high positive climate impacts. Leading investment options included support for clean energy, green building efficiency retrofits, natural capital, clean research and development, and vitally, green worker retraining initiatives, which is an area I'd encourage questions on.

Subsequently we've been tracking how governments are spending and engaging on that, trying to understand the social, economic and environmental components of their spending. This is in partnership with the IMF, UNDP, UNEP, PAGE and the German Agency for International Cooperation. All of this is under the title of the “Global Recovery Observatory”, which you can find quite easily online.

In the Global Recovery Observatory, you'll see Canada compared with the world. In total we tally around $29 billion in COVID-related green spending in Canada, which is an encouraging number and does show some commendable foresight on the part of the government. However, this remains far below international commitments. For example, in 2020 alone, we saw almost $60 billion in France, over $40 billion in the U.K. and, of course, Canada's neighbour to the south looks to be stepping up the game substantially, moving into the hundreds of billions, if not towards the trillion mark, in green spending.

Canada has also unfortunately announced some of the few dirty policies in the world. By “dirty” I mean climate negative, which is a poor mark on the country's record. Given the context of the economic advantages of green spending I described, they are a little bit difficult to understand.

Today, as an engineer turned acting economist, I've framed my evidence on economic grounds, yet any responsible parliamentarian also understands that future prosperity is about more than economics. Future prosperity is built on innovation, good jobs and growth, but also on a cohesive society with a stable climate and healthy ecosystems and landscapes.

Here, too, the overwhelming weight of academic evidence is positive for green investment. In short, targeted and well-designed policy can reduce inequalities while also pulling the handbrake on climate change.

In my final 30 seconds, I have one final appeal. Canada needs to again look beyond its own borders as well, reclaiming a position of leadership in support of the world's most vulnerable nations. The gap between the most developed countries like Canada and the least developed countries who we engage with was enormous prior to COVID-19 and is only growing.

● (1125)

In response to the virus, we've seen over $12,000 spent per person in developed nations. In the least developed countries, it's $10 per person. There's an opportunity to pair climate spending with development assistance, and I encourage Canada to take a leading role in that.

Thank you.

The Chair: Thank you very much.

We'll now go to Ms. Christina Franc.

You have the floor for five minutes.

Ms. Christina Franc (Executive Director, Canadian Association of Fairs and Exhibitions): Thank you.

Thank you so much for having me here today. It's great to see some familiar faces.

For almost 100 years, CAFE has focused on helping our 743 organizations reach their full potential. We do this primarily by organizing a variety of professional development opportunities and advocating for our industry's interests.

Our not-for-profit organizations offer their grounds as shelter when there are floods, or as vaccine or testing sites right now. We work with community organizations like the Lions Club or fire departments to host their fundraisers. We host a whole slew of other programming, such as summer camps, socials, dances, rodeos, concerts, representing more than 17,000 events per year across Canada. These are organized by an estimated 130,000-plus volunteers who see 35 million visitors annually. These events have an estimated annual impact of $2.9 billion on the Canadian economy. We're more than just a fair. We are community events and cultural hubs that are often older than Canada itself.

When we look at how we can green our infrastructure and programming, I want to highlight that our industry has its own little ecosystem. The fair organizations are supported by thousands of small businesses, concessionaires, food trucks, artisans and the list goes on. When we put an eye on sustainable practices, we also need to pay attention to all of these assets.

One of the main challenges coming out of recovery will be the need to rebuild stakeholder confidence in mass gatherings—when the time is right. One way to do that is by integrating green initiatives into our organization. This will have a domino effect, supporting our growth by giving us increased capacity to host expanded programming and draw in new audiences.

Our first recommendation is to provide sustainable retrofitting and capital grants that target aging infrastructure. Our industry has almost 2,000 facilities across Canada that would cost an estimated $3.1 billion to replace, so repair and maintenance is crucial. This, however, presents unique challenges that end up being more costly. When designing a sustainable upgrade, we see additional costs to bring buildings up to code, to make them all-season with insulation and other measures, and to sometimes tear down in order to rebuild components. As such, in order for us to be able to take advantage of them, any sustainable retrofitting grants need to take into account the whole process. Without launching massive fundraising campaign, operating those non-profits means we don't have significant surpluses to put towards any major initiative, including capital projects.

Our second recommendation is to support green innovation projects at events, particularly in rural areas. We have a chance to showcase new sustainable technologies and practices, and to educate Canadians, similar to what we are proud to do with agriculture.

We are already starting to lead by example by diverting waste at events. The Canadian National Exhibition alone diverted 86% of the waste from landfills in 2019. The Armstrong IPE launched a composting initiative for their event in 2015, and it has seen exponential growth, from diverting 1,250 pounds in its first year to more than 20,000 pounds in 2019. They also diverted 45,000 plastic bottles by providing water refill stations at their events.

These programs take special signage and equipment, volunteers and staff. To expand these and other innovative projects across Canada at all of our events, support from the federal government is critical. In addition, we need to think about the green initiatives of our service providers. Whether it be powering their equipment through alternative energy sources on the road and at their events or diverting their own waste, they need equal support.

Our third recommendation is to provide tax credits to implement green initiatives. As an example, a major Canadian entertainment company is already committing to a minimum of 50% recycled materials for all their assets in 2021—wardrobe, props, etc.—as well as 25% recycled material for their merchandise. These are all incremental changes that our service providers and our industry are taking or can take to support sustainability, and they could be easily rewarded with tax credits.

Finally, we recommend providing industry-specific training on greening your business or organization. Our organizations are resource-strapped. We have dedicated volunteers who have done well in the past when they were given specified training, tools and templates to lead new initiatives in their own organization. For example, CAFE offered a series of educational courses to our industry on best practices to mitigate the spread of enteric pathogens. Similarly, we are currently developing a program to educate our community on best practices in animal care at public events. In both cases, participants walk away with a workbook and a foundation to develop their own plans and programs using metrics and targets and with the support of the national body and the federal government.

Federal support for training and education will help our organizations understand the importance of sustainability, activate innovation and develop best practices with a clear road map. Ultimately, we need to see language in these proposed programs that is inclusive of our community organizations and their events, specifically referencing agricultural fairs, exhibitions and event organizations.

We are so pleased to see the standing committee looking to recovery as an opportunity to build a better Canada. We look forward to being a part of the process.

Thank you.

● (1130)

The Chair: Thank you so much.

We will now turn to Mr. Dave Carey.

You have the floor for five minutes.

Mr. Dave Carey (Vice-President, Government and Industry Relations, Canadian Canola Growers Association): Thank you.

Thank you for the invitation to appear before this committee today on this important study.

My organization, the Canadian Canola Growers Association, represents 43,000 canola farmers from Ontario to British Columbia on national and international issues, policies and programs that impact their farm's success. CCGA is also the largest administrator of the federal government's advance payments program, providing cash advances to help farmers better market their crops and finance their operations.

Canola is a staple of Canadian agriculture as well as Canadian science and innovation. Today it is Canada's most widely planted crop and the largest farm cash receipt of any agricultural commodity, earning Canadian farmers $10.2 billion in 2020. Annually our sector contributes $29.9 billion to the Canadian economy and provides for 207,000 jobs.

Exports drive canola's success. More than 90% of the canola grown in Canada is exported as seed, oil or meal. COVID-19 has demonstrated the critical role played by agriculture and agri-food as an essential industry. Agriculture, and canola production in particular, has helped spur our economy during the recent pandemic and economic downturn. However, there are areas for improvement domestically and on the export front to help further canola’s ability to sustainably grow Canadian prosperity.

The first area concerns regulatory modernization and innovation and the Canada Grain Act. The government must finalize the review of the Canadian Grain Commission and modernize the Canada Grain Act to ensure that Canada's grain quality system aligns with the modern grain trading environment. Updates to the act are essential to reflect the significant changes to both farming and grain marketing over the last 40 years.

The next area is gene editing. Health Canada recently launched consultations on new regulatory guidance around such plant-breeding innovation as gene editing. This is a positive step for canola farmers. Our country has long been a leader in plant-breeding innovation, but our current regulations around plant breeding find us lagging behind countries like Japan, Australia and the United States and Latin America. The future competitiveness and sustainability of Canadian farms rely on a regulatory system that supports such new plant-breeding techniques as gene editing.

The Pest Management Regulatory Agency, or PMRA, requires consistent, reliable, robust and impartial data to fulfill its mandate as a science-based regulatory body. We strongly support the creation of a pan-Canadian water-monitoring program housed within the PMRA. Without accurate data to make science-based decisions, Canada could be perceived as a jurisdiction with increasingly high levels of regulatory uncertainty, thereby disincentivizing registrants from commercializing chemistries in Canada that ultimately help with our sustainability efforts.

Around domestic diversification and biofuels, to hedge against international market volatility, increasing the amount of canola used in biofuel will help create a stable domestic market for canola. Utilization of canola-based biofuels through the clean fuel regulation, or CFR, could create a new domestic market equal to or greater than the size of our Japanese export market, around 1.3 million tonnes of canola. It could also help Canada significantly reduce our greenhouse gas emissions by approximately 3.5 million tonnes of CO2 equivalent a year—approximately one million cars.

To realize the potential economic and environmental benefits of canola-based biofuels, the final CFR, which will reach the Canada Gazette, part II, this fall, we must ensure that it grants full aggregate compliance to Canadian and U.S. farmers and that canola's low-carbon advantage is reflected in the life-cycle analysis model.

Last, around international trade, farmers are well positioned to provide safe, reliable canola supplies both domestically and to the world, but we require a rules-based, predictable framework to grow our exports. Promoting this framework will be even more important to counter protectionist policies post-COVID-19 as countries turn inwards. Trade is key to the world's economic recovery, and modernization of the World Trade Organization is essential to ensure that borders and supply chains remain open.

CCGA and the Canadian Agri-Food Trade Alliance are advocating for the creation of a chief of trade implementation position at Global Affairs Canada to strengthen Canada's capacity to monitor and mobilize resources to fully implement and capitalize on existing free trade agreements. We're also requesting the creation of an Asian diversification office that has the capacity and mandate to proactively prevent and resolve market access challenges in Asia, as 60% of the global population resides in Asia. Increasing disposable income and changing food requirements make canola an attractive option for seed, oil and meal. As well, for the canola sector to achieve its full potential, reopening the China market must remain a priority.

We appreciate the opportunity to speak with this committee today. We look forward to questions on canola sustainability targets.

● (1135)

The Chair: Thank you very much, Mr. Carey.

We will now turn to Daniel Breton.

[*Translation*]

Mr. Breton, you have the floor for five minutes.

Mr. Daniel Breton (President and Chief Executive Officer, Electric Mobility Canada): Thank you, Madam Chair.

Good morning. We want to thank the members of the Standing Committee on Industry, Science and Technology for its study on green economic recovery from COVID-19.

My name is Daniel Breton and I'm the president and chief executive officer of Electric Mobility Canada, or EMC.

Founded in 2006, Electric Mobility Canada is one of the first organizations in the world dedicated to electric mobility. Our members include electricity providers, mining companies, vehicle manufacturers, charging infrastructure providers, technology companies, research facilities, cities, universities, fleet managers, unions, and non-governmental organizations, or NGOs.

Electric Mobility Canada is the national organization with the most experience and expertise to help drive the discussion, regulations and projects related to transportation electrification in Canada.

[*English*]

According to the 2021 ECCC report, Canada’s GHG emissions have decreased by only 1% in the 14 years between 2005 and 2019. Now that Canada’s new target is to lower our GHG emissions between 40% and 45% by 2030 compared with our 2005 emissions, this means that we will have to lower our greenhouse gas emissions by at least 39% in nine years, which is both ambitious and feasible.

According to a recently released report by Health Canada, the total economic cost of all of the health impacts from air pollution for the year is $120 billion. This is the equivalent to about 6% of Canada's real gross domestic product in 2016. It represents 15,300 premature deaths, which is eight times the death toll of car accidents in Canada. In addition to being a major emitter of GHGs, transportation is also a significant source of air pollution in Canada, accounting for 31% of its black carbon emissions, 33% of its carbon monoxide emissions and 41% of its nitrogen oxide emissions.

According to the Electric Vehicle Outlook 2020 from Bloomberg New Energy Finance, EV growth, from passenger cars to light trucks to heavy duty trucks, will be exponential in the years to come. Passenger EV sales jumped from 450,000 in 2015 to 2.1 million in 2019. They are expected to reach 8.5 million in 2025 and 26 million by 2030. Worldwide EV sales should grow from 2.7% in 2020 to 10% in 2025, 28% in 2030 and 58% or more in 2040.

According to a newly released report by TD Economics, it is estimated that by 2050 between 312,000 and 450,000 of Canada’s current 600,000 direct and indirect jobs in oil and gas could become casualties of falling demand for fossil fuel as more countries and companies commit to net-zero greenhouse gas emissions.

According to another report from Clean Energy Canada, there will be approximately 560,000 clean jobs by 2030. Almost 50% of these jobs will be in clean transportation.

According to a 2020 analysis by Electric Mobility Canada, a Canadian electric mobility strategy inspired by those of B.C., Quebec or California, could generate up to $200 billion in revenue between 2021 and 2030.

Therefore, accelerating the transition to zero-emission vehicles from light to heavy duty will help save thousands of lives and billions of dollars for Canadian taxpayers every year while creating quality Canadian jobs from B.C. to Atlantic Canada.

As we come out of the COVID-19 crisis, will Canada take advantage of the fight against climate change and air pollution to create jobs through a recovery plan in a high-tech sector such as electric mobility, or will Canadians have to import all of their electric vehicles, batteries and technologies from elsewhere and therefore miss the boat on high quality, high-paying, long-term jobs?

At EMC, we are convinced that, with all its expertise plus its natural and human resources, Canada is in a perfect position to become a world leader in electric mobility in partnership with our U.S. ally, but there is no time to waste since other regions like Europe and Asia are really accelerating their support towards the EV industrial revolution.

● (1140)

[*Translation*]

Lastly, Electric Mobility Canada, together with other Canadian industry stakeholders, will be announcing the launch of a Canadian electric vehicle supply chain alliance by June, to contribute to Canada's industrial transition. In addition, we'll soon be releasing a report on the current status of transportation electrification in Canada.

Over the next two hours, with your permission, Electric Mobility Canada can recommend seven ways to speed up economic recovery through electric mobility.

Thank you.

[*English*]

Thank you.

The Chair: Thank you very much.

We'll now go to Ms. Lloyd.

You have the floor for five minutes.

Ms. Priyanka Lloyd (Executive Director, Green Economy Canada): Thank you, Madam Chair, and members of the committee.

I appreciate the opportunity to appear today.

My name is Priyanka Lloyd, and I am the executive director of Green Economy Canada. I am pleased to join you from Waterloo, Ontario, which is the traditional territory of the Neutral, Anishinabe and Haudenosaunee peoples.

I'm here to share a perspective on how the government of Canada can help businesses across the country to recover in a stronger and more resilient way post-pandemic. In particular, the focus of my remarks will be on the importance of investment to support small businesses to thrive and become more competitive in a global shift to a low-carbon future.

Green Economy Canada is a national non-profit that supports a network of community-based green economy hubs across the country. These hubs are working with 300 businesses of all sectors and sizes to voluntarily take action on climate change and to build sustainability into their operations. Through our network's decade of experience, we have seen first hand how businesses can reduce their environmental impacts while increasing their profitability.

Small and medium-sized enterprises or SMEs make up more than 99% of businesses in Canada. They employ nine in 10 private-sector workers and contribute more than half of our GDP. These are the businesses in your communities; the coffee shops, restaurants, retail stores, and countless other seen and unseen businesses that form the backbone of our economy. However, despite the vital role that small businesses play in job creation and innovation, they've been chronically overlooked in how they can help Canada achieve its climate action goals and reap the benefits of a greener economy.

As we look to recover from the impacts of COVID-19, now more than ever, small businesses need every advantage possible to get back on solid ground. This includes the substantial benefits that they can get from greening their operations. Take these examples:

Your Credit Union is a small financial services co-operative in Ottawa. By installing a building automation system, they were able to shave 30% off their annual electricity bill.

Walker Emulsions is a wax and asphalt emulsions company in Burlington. They were able to save $43,000 per year by installing a water softener to reduce the build-up in their process heat exchangers.

VeriForm is a small steel and metal fabricator in Cambridge, Ontario. They have been investing in energy efficiency upgrades for over a decade and have saved over $2 million while doubling their facility size and expanding their workforce by 30%. These investments have also allowed VeriForm to weather shocks like U.S. steel and aluminum tariffs.

Permanently lowering operating costs helps businesses withstand economic downturns and leaves room to reinvest in jobs and growth, which keeps more dollars circulating in local communities. Multiply this impact across hundreds of thousands of small businesses and communities in Canada, and the result is not just recovery but growth, clean green growth.

Moreover, as countries around the world are making bold commitments to move towards a net-zero future, the ability of Canadian companies to produce and export our goods and services in a low-carbon way will be critical for us to remain competitive on the global stage.

Existing discussions on the recent federal budget have focused on loans, grants, and digitization supports to help SMEs to recover post-pandemic, but the new-normal demands that businesses are also reducing their carbon emissions to remain competitive and resilient.

Green recovery investments for businesses in the federal budget were targeted on heavy industry and clean-tech manufacturing. While these are important and needed, they do little for the vast majority of businesses in Canada. Without meaningful investments to support SMEs to seize the low-carbon advantage, this critical segment of our economy risks getting left behind and will find it difficult to adapt to key regulations like a $170 per tonne carbon price by 2030.

Moreover, small businesses will feel mounting pressure from larger organizations who are now aligning with net-zero emissions targets to demonstrate how they are reducing their emissions as part of an increased focus on greening the supply chain.

Based on the feedback from our network, and our experience with previous climate action programs, we urge the government of Canada to invest seriously in helping small businesses to reduce their emissions.

We hear time and again that many small businesses are concerned about climate change and want to do their fair share, but they need more direct support to overcome the barriers they face in doing so.

Small businesses need targeted financial [*Technical difficulty—Editor*] and deeper, direct support to help them make lasting changes to their operation that are good for the planet and good for their bottom line. This includes support for small businesses to set goals and develop concrete plans aligned with achieving Canada's 2030 and 2050 climate targets, the way that larger organizations are doing.

In closing, we applaud the federal government for its commitment to climate action and making significant investments that can drive a green recovery. However, to ensure that our economy thrives in the transition to a net-zero future, we cannot forget to invest in small businesses to do their part.

● (1145)

The support we provide to small businesses now will determine not just Canada's ability to meet our international commitment, but if we are successful in setting businesses on a path to a stronger and more resilient future.

Thank you.

The Chair: Thank you very much.

Now we will turn it over to the Toronto Community Benefits Network.

Ms. Powell, you have the floor for five minutes.

Ms. Rosemarie Powell (Executive Director, Toronto Community Benefits Network): Thank you, Madam Chair.

Good morning, honourable members of Parliament and members of the industry, science and technology standing committee.

My name is Rosemarie Powell, and I am joined by my colleague Kumsa Baker, representing the TCBN.

The Toronto Community Benefits Network is a 120-member, and growing, coalition of community organizations, grassroots groups and social enterprises, unions, construction trades' training centres and workforce development agencies. Our mandate as a non-profit organization is to partner with the government and with the construction industry to increase diversity, equity and inclusion in the economy and workforce of this industry that has historically excluded Black, indigenous and racialized Canadians.

We propose community benefits agreements as a proven and effective means to tackle this historic and systemic economic and employment equity issue, an issue that will only be further compounded as we seek a green recovery, if not addressed in an intentional way. When done right it creates a win-win solution for all, including for the industry as it struggles to find skilled workers to meet the growing demand and to deal with impending mass-scale retirements.

BuildForce Canada projects that the Canadian construction industry demands will intensify over the long-term, requiring more than 300,000 workers over a decade. In the middle of a pandemic, the best place to find skilled workers is in our local communities, from demographics that have low participation rates in the industry.

Over the next decade, government has allocated hundreds of billions of dollars to be spent on public infrastructure to build and maintain housing, roads, transit, water supply, electricity and telecommunications in urban and rural communities. It is imperative that government leaders ensure these large public infrastructure projects include CBAs that can ensure equitable workforce and business opportunities for Black, indigenous and racialized peoples, including women, persons with disabilities, veterans, vulnerable youth and newcomers. These approaches to infrastructure investment contribute to the federal government's environmental, economic and social policy objectives while delivering world-class infrastructure projects.

CBAs as part of large-scale public infrastructure projects is not new. Here in Toronto, the TCBN is currently implementing community benefits on five major infrastructure projects, including the Eglinton Crosstown LRT, the Finch West LRT, West Park Healthcare Centre and Casino Woodbine expansion projects.

Federally, community benefits have been included in projects like the Gordie Howe bridge in Windsor, which ensures economic, social and environmental benefits to support and strengthen the local economy.

Through the various community benefits programs and projects in Toronto, TCBN has worked with our network partners to support hundreds of people from under-represented groups into well-paying careers in the construction industry and on these projects, which include both skilled trades and professional administrative and technical positions. Now, although CBAs have been proven to help strengthen diversity in the industry, we remind you that it was just this past summer in Toronto that nooses were found on five separate construction sites with Black workers.

While we support policies like the federal community employment benefits program, which can be a valuable tool to create local workforce and business opportunities for under-represented groups, we need the government to ensure that these policies are adopted, implemented, tracked, monitored and publicly reported. We also need to ensure that all contractors have policies that ensure employment equity, and that their workforce is free from racism, discrimination, harassment and/or hate.

Last spring, at the height of the pandemic, we were extremely disappointed to see the dismissal by certain construction and engineering firms, like the Canadian Construction Association and Progressive Contractors Association, of community benefits agreements, and the livelihoods they support. This came at a time when participants of our Quick Start in Construction pre-apprenticeship training program were graduating and looking for entry into well-paying careers in the unionized construction industry.

● (1150)

In response, TCBN invited allies from our community labour and corporate partners to endorse a joint letter to the federal government, and it was extremely impactful. We got tons of support from across Canada. This is something that our communities want to see, and we implore the government to take leadership on this very important issue.

Thank you very much.

The Chair: Thank you very much.

With that, we will start our rounds of questions.

Our first six-minute round will go to MP Généreux.

[*Translation*]

Mr. Bernard Généreux (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, CPC): Thank you, Madam Chair.

I want to thank all the witnesses here today.

Your comments are very informative.

I just want to briefly describe my experience. I was once the mayor of La Pocatière, a town of 5,000 people, in the Bas-Saint-Laurent region of Quebec. When I was elected mayor 16 years ago, in 2005, the province of Quebec wanted to reduce putrescible waste. By 2020, 15 years later, the goal was for the entire province to have a brown bin program to collect putrescible waste. The objective was to improve our environment, given that Quebeckers' garbage bags are the heaviest in North America, if not the world. We may call ourselves environmentalists, but the fact remains that this policy still hasn't been fully implemented. Moreover, delays have occurred and continue to occur as we speak. This constitutes an example of a policy that was very forward-thinking at the time, but that unfortunately hasn't been implemented.

I'll turn to Mr. Breton.

Mr. Breton, you once worked for the Quebec government—

The Chair: Sorry to interrupt you, Mr. Généreux.

The bells are ringing in the House.

● (1155)

[*English*]

I've stopped the clock. I need unanimous consent from the committee to continue. Maybe we can try to get in the first round before we have to suspend to vote.

Do I have the unanimous consent of the committee to continue?

Some hon. members: Agreed.

[*Translation*]

Perfect. Thank you.

You have the floor, Mr. Généreux.

Mr. Bernard Généreux: I'll continue.

Unfortunately, these policies couldn't be implemented as originally planned. We may have put in place different policies to improve our environment and save the planet. However, there's an issue, at least in Quebec. Unfortunately, these policies weren't implemented because of costs. Municipalities were reluctant to implement them because they were costly. In La Pocatière, we implemented them. Under my leadership, we were the first municipality to do so in the Bas-Saint-Laurent region.

Mr. Breton, I want to speak to you in particular. My example isn't related to transportation electrification. However, the fact remains that this Quebec policy hasn't been fully implemented.

Based on the figures that you provided, from 2005 to 2020, I gather that we reduced our greenhouse gas emissions, or GHG emissions, by only 1%. I believe that our goal was a 30% reduction by 2030. Gases from waste are also a major source of pollution, as is transportation. What do you think about the fact that we can't implement policies because of the costs involved?

Mr. Daniel Breton: Good question. You actually need to look at the short-term costs and how they're broken down over time. I'll give you a prime example.

Sometimes, municipalities can't afford to follow provincial or federal government policies. In the specific case of transportation electrification, everyone wins. In other words, the more electric vehicles come on the market, the more competitive they become. The total cost of electric vehicle ownership makes the vehicles competitive and turns them into an investment.

I wrote a book on this topic, which was published last week. In the book, I emphasize how this amounts to an investment for a person, for a municipality, and for a government as well.

I've spoken with officials in several municipalities, both large and small. They realize that the total cost of ownership is attractive because they're lowering their energy, health care and maintenance costs. The initial investment may be higher, but as electric vehicles go on the road, the vehicles are getting cheaper and cheaper. That's where the appeal lies, whether the vehicle is a light-duty vehicle, a bus or a heavy-duty vehicle. You must look at the matter from a total cost of ownership perspective.

Mr. Bernard Généreux: We'll be tabling a green economic recovery report, which includes a transportation electrification component. Suppose Canada's entire vehicle fleet were electrified tomorrow morning. My mother always said that nothing is lost, nothing is created, everything is transformed. I've never forgotten this motto. We all live on the same planet.

The Bloc Québécois members often say that they don't want to use western oil for whatever reason. We'll still need oil for many years to come, even if our oil consumption decreases, which could be a good thing.

However, electric vehicle manufacturing has an environmental cost. I'm thinking in particular of the rare earths needed to produce and recycle the batteries. Are these costs being assessed?

Of course, the goal is to create jobs in Canada. If the plan is to create these products in Canada, as Lion Electric is doing with buses and trucks, a battery factory will be needed. It takes raw materials to produce batteries, and this has an environmental cost. If, tomorrow morning, Canada's entire vehicle fleet were electrified, this would have an environmental cost. Has this cost been assessed yet?

Mr. Daniel Breton: Yes. The cost is often evaluated, and it's being done more and more now. Electric Mobility Canada is one of the ones working on the issue.

You are absolutely right that an electric car has an environmental cost. That said, the overall environmental cost of an electric car is much lower than that of a gas-powered vehicle. At worst, there is a 20% savings in greenhouse gas emissions. That would be the case of an electric vehicle in Alberta that is 92% powered by electricity derived from coal and natural gas. That will improve, however, with Alberta phasing out coal-fired power plants by 2023, replacing coal with natural gas, a renewable energy. At best, the environmental savings is 60%, 70% or even 80%.

You mentioned the use of rare earths to manufacture electric car batteries. That is a myth being perpetuated on social media. Electric vehicle batteries do not contain rare earths, but all anti-pollution systems in gas-powered vehicles do. In fact, that is the reason for the current rash of thefts of catalytic converters in Quebec and elsewhere.

Electric vehicles do have an environmental cost, but it is less than that of gas-powered vehicles. Electric vehicles are not the only way to reduce our environmental footprint; they are one of many ways.

● (1200)

Mr. Bernard Généreux: Thank you.

The Chair: Thank you.

[*English*]

Our next round of questions will go to MP Erskine-Smith.

You have six minutes.

Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.): Thanks very much, Chair.

I'm want to start with Mr. O'Callaghan.

With respect to the climate change debate in Canada, we often hear from the opposition that climate action is going to mean lost jobs. There's this idea of pitting the economy and environment get against each other. Some may well understand and appreciate that in the long term there may well be economic gains, but you've come before us and said that not only will we see strong long-term economic multipliers, but in fact even in the short term that green climate-focused spending will have stronger short-term economic multipliers.

Can you explain that to me in some greater detail?

Mr. Brian O'Callaghan: Absolutely. Thank you for the question. It's a great one.

I think the idea that oppressive environmental investment is bad for the economy is, honestly, at this point a misnomer. That was true 20 years ago when the cost of many of these interventions were prohibitive. Now, because of how much cheaper technologies have become, they make a lot more sense.

It's interesting that you bring up the short versus long-term debate here. In our modelling, the job impacts of many of these clean investments are really towards the short term. If you think about building a new renewable energy plant, the whole idea is not to have a significant employee base in the long term because the plants run themselves. However, there is significant employment in the short term and, according to the modelling that we've done with Vivid Economics, a consultancy based out of London, the job creation prospects of those clean investments in almost every case are higher than a dirty alternative. That's the job side.

You've also asked about the economic multiplier side. We've been modelling GVA, or gross value added. Again, in the short term the gross value added from a particular investment is equivalent to, and in many cases greater than, investments in dirty alternatives. The dirty alternative to clean energy is coal or gas; in sustainable transport it's just a new road, for example.

The long-term growth that we talk about is enabled by the short-term investments. Take clean energy, for example. The long-term growth there is a result of much cheaper, long-term access to electricity, which enables your electric vehicles and a transition to more efficient agriculture. All of those different things are enabled by that investment in the long term.

That's the short versus long-term dynamic we talk about.

Mr. Nathaniel Erskine-Smith: In your paper from May you delineated five types of policies: clean physical infrastructure, building efficiency, investments in education and training, national capital investment and clean R and D spending. In your opening remarks you said that you would be open to some questions related to worker training in particular.

When you look at those five categories and at global recovery packages and at the Canadian recovery package, what's missing?

Mr. Brian O'Callaghan: I would state that the retraining piece is the biggest missing component in most developed economies. If any participant is interested in seeing the breakdown of current spending, you can either go to look at the Global Recovery Observatory or a paper titled "Are We Building Back Better", which I wrote with the United Nations Environment Programme.

In those you will note that in developed economies there's been spending on a wide range of green initiatives, but with this big hole in worker retraining. In the context of COVID, we've seen human capital being decreased at literally every turn. Whether you talk about school closures, talk about furlough programs, talk about unemployment, you will see that human capital has dropped significantly. Industries are in transition, and yet most governments aren't investing in some type of employee retraining or education initiatives to develop a workforce that is ready for those new jobs that you're pouring billions of dollars into otherwise.

That signal there in my remarks was specifically to the lack of investment in green retraining initiatives.

● (1205)

Mr. Nathaniel Erskine-Smith: That's odd insofar as it goes to your comments on economic growth and job creation. It's also odd, I have to say, politically here in Canada. One of the biggest challenges we see with taking serious action on climate change is this really hyper-localized concern in particular regions of this country that if we transition away from certain sectors, we are going to lose jobs. The better political answer in some respects would be to invest massively in supporting workers, not particular kinds of work, but supporting that job retraining, supporting workers in particular geographies, not in particular sectors. It is a missing piece in a number of different respects.

I have a couple minutes left, maybe. Sherry, we'll see. Thirty seconds left.

In that case, could you highlight a couple of policies that we have here in Canada that maybe we shouldn't have as it relates to recovery? You mentioned dirty policies.

Mr. Brian O'Callaghan: Sure.

First, I would just go back to the retraining piece and say that it's not just green retraining that we've missed. It's retraining everywhere. It is a very difficult thing to do at scale, which is why I think many governments have stayed away from it.

One potentially useful example is from your neighbours down south, who I think are investing $100 billion, in theory, as part of their job plan that the administration has announced. That's something to stay aware of.

My apologies, Sherry.

The Chair: Thank you so much.

[*Translation*]

Mr. Lemire, we now go to you for six minutes.

Mr. Sébastien Lemire (Abitibi—Témiscamingue, BQ): Thank you, Madam Chair.

My questions are for Mr. Breton.

First of all, thank you for accepting the committee's invitation. It's an honour to have you participate in the Standing Committee on Industry, Science and Technology's study of a green recovery.

As you probably know, my car is fully electric. One of the reasons I decided to purchase it was to add to the fleet of vehicles. Along the lines of your recommendation, I wanted to encourage the expansion of charging infrastructure availability and the uptake of electric transportation programs. One statistic, in particular, I found quite compelling: electric vehicle owners trigger the environmental benefit once they have driven 80,000 kilometres.

What is the lifespan of an electric vehicle versus a gas-powered vehicle?

Mr. Daniel Breton: You mentioned the distance that has to be driven in order to trigger the environmental benefits. That number is no longer 80,000 kilometres; it is now 20,000 or 30,000 kilometres thanks to improvements in the manufacturing of electric vehicles.

As for the lifespan of an electric vehicle versus a gas-powered vehicle, I would have to say it depends on the make. It's the same for gas-powered vehicles: some last longer than others. An electric vehicle can travel up to 250,000, 300,000 or 500,000 kilometres. Some gas-powered vehicles can last a long time as well.

Mr. Sébastien Lemire: Very well.

You were a bit rascally because you mentioned your seven recommendations to accelerate the green economic recovery through electric mobility, but you didn't go into detail. I'm rather fascinated.

Can you tell us more about them?

Mr. Daniel Breton: Our first recommendation is that Canada develop a Canadian electric mobility strategy. I was the first elected official to be in charge of a government electric mobility strategy in Quebec.

Instead of taking a piecemeal approach to programs and initiatives, the government should, in our view, adopt a comprehensive vision of electric mobility, one that includes a zero-emission vehicle supply chain strategy. That would open the door to manufacturing as many electric vehicles and vehicle components in Canada as possible.

Our second recommendation involves regulations. It's fine to set targets, but regulations are necessary in order to meet them. In fact, in Canada's climate plan, the government proposes to align Canada's light-duty vehicle regulations with the most stringent performance standards in North America post-2025, whether at the United States federal or state level. That means Canada's regulations would have to align with those of California, which plans to ban the sale of diesel- and gas-powered vehicles starting in 2035.

Our third recommendation pertains to education, training and retraining. I completely agree with Mr. Erskine-Smith and Mr. O'Callaghan that we have huge gaps in that area. Some sectors will experience job losses, and others will face labour shortages. The electric mobility and renewable energy sectors are already in need of skilled workers.

I was pleasantly surprised last week to see that the budget included a significant investment in training and retraining. That has to be a priority, because it will help create jobs in British Columbia and the Maritime provinces.

Our fourth recommendation is to create a centralized resource and coordination hub to ensure everyone is talking to one another and working in a coordinated way to accelerate electrification.

Our fifth recommendation is to deploy zero-emission vehicle infrastructure, which will be needed all over the country. It is nevertheless important to keep in mind that the most important charging station is the one people have at home, since 70% to 90% of charging is done at home.

Our sixth recommendation is to create a zero-emission vehicle rebate. It would cover electric, plug-in hybrid and hydrogen-powered vehicles. Canada must continue to financially support the purchase of electric vehicles big and small until the price of electric vehicles is on a par with that of gas-powered vehicles. That would be in line with support the government has provided to other sectors, including oil and gas, and information technology.

Our seventh recommendation is that the government adopt green procurement practices to electrify Canadian government and Crown corporation fleets and infrastructure as much as possible.

● (1210)

Mr. Sébastien Lemire: You mentioned hydrogen-powered vehicles.

As you know, some hydrogen is grey and other hydrogen is a lot better for the environment.

Manufacturing-wise, are the different types of hydrogen the same?

Mr. Daniel Breton: Obviously not. Renewable resources are used to produce certain types of hydrogen, and natural gas or oil is used to produce other types. The environmental footprint is not at all the same.

That's why we think hydrogen-powered vehicles should be heavy-duty vehicles, in other words, boats and planes.

When it comes to medium- and light-duty vehicles, and even heavy-duty vehicles that travel shorter distances, battery-powered electric vehicles have a smaller environmental footprint.

Mr. Sébastien Lemire: As far as strategic metals are concerned, the electric mobility strategy should include a supply chain that fully supports the electrification of our industries.

Why is it so important to extract and process strategic metals in Quebec and Canada?

Mr. Daniel Breton: That's a very important question. Right now, 96% of electric vehicle batteries are manufactured in Asia, so China, Japan and Korea. That is hardly sustainable from an economic, environmental or even geopolitical standpoint.

We wouldn't want to end up in the same boat we were in because of our reliance on oil from the Middle East. We were mixed up in conflicts we wanted nothing to do with, all because we were heavily dependent on a single region for our oil.

In order for Canada, Quebec and the United States to derive the greatest environmental and economic benefit, we need an agreement to build an electric vehicle supply chain based in Canada and the United States. In fact, Mr. Biden and Mr. Trudeau agreed to do just that.

Mr. Sébastien Lemire: Thank you. That was very informative.

The Chair: Thank you.

[*English*]

Our next round of questions goes to MP Masse.

You have six minutes.

Mr. Brian Masse (Windsor West, NDP): Thank you, Madam Chair.

Thank you to our guests for being here.

My first questions will be for the Toronto Community Benefits Network.

With regard to the federal budget that was just announced and is going through the House of Commons right now, can you highlight a couple of opportunities there? We can do a lot of symbolic gestures about equality, but they're really meaningless if we don't actually get the programs out there, have the results and measure the results by dealing with the inequities. Your work is crucial in getting some of those real jobs created.

For my project, the Gordie Howe International Bridge, we got some basic community benefits—a pittance in the overall project—but it was a first big step forward. It is a recognition that a federal project can actually have community benefits. Can you maybe highlight a couple of opportunities in the federal budget that might be advantageous to move this along?

Ms. Rosemarie Powell: I'll allow my colleague, Kumsa Baker, to speak, but in general, absolutely, regarding the federal budget, we received it very well because of the investment that government planned to make. There was a lot of focus on Black and racialized communities for support and financial investment and for community organizations that serve the Black community, which was great.

When it came to infrastructure, it was very silent on the supports specifically for Black and indigenous peoples [*Technical difficulty—Editor*] is that when the focus is not there, the organizations that are applying for funding will not specifically identify this demographic as a community that ought to be served, so it will be really important in your community employment benefits that the terminology around Black, indigenous and racialized people be specifically addressed there.

There are also provisions for social procurement that we need to consider to ensure that, when the funds are distributed to the provinces and then from the provinces to the municipal governments, we have a community benefits framework in place that will ensure employment equity provisions in it.

Go ahead, Kumsa.

● (1215)

Mr. Kumsa Baker (Campaigns Director, Toronto Community Benefits Network): I would just add that another additional opportunity we see is federal lands. One of the things that we've been working on closely here in Toronto is Downsview Park, which is currently undergoing large master planning for redevelopment once Bombardier leaves in 2023. That's a federally regulated project where we see an opportunity for a mix of communities to be developed in a way that's equitable. We want to see community benefit agreements applied similarly to projects where there might be federal scope related to land development.

Similarly, we're supporting a group in Ottawa as part of LeBreton Flats, which is also another large-scale project under the National Capital Commission. There are going to be lots of investments in that project, and we need to make sure we build back better that we have strong commitments and targets for community benefit agreements and that those communities, especially those under-represented groups who have been negatively impacted by the pandemic, whether it's health-wise or economically, are getting prioritized in those new training opportunities, those investments that are going into supporting skills development. We're really looking forward to that sort of commitment to make sure that, when we reflect back on all of this recovery work, we see strong commitments and outcomes for equity.

Mr. Brian Masse: Tying them into the project, I'd be remiss if I didn't mention one of my closest friends and a mentor who recently passed away, Shelley Harding-Smith. She was a role model to many women, being a Black master electrician in Canada working for Ford. She was a fixture in Sandwich town, where everybody knew her in the small area, so you get individuals who have a profound echo effect even after they move on.

Do we want to make sure that those things are guaranteed as part of the contract so that we can get those measurable results later on?

Ms. Rosemarie Powell: Absolutely, that is the idea, to ensure that, in the procurement itself, when the government sends out the requests for proposal, there is specific language that the industry understands, a blueprint of sorts, that lets them know that this is a requirement when they're submitting their proposals and that they must include provisions that will ensure employment equity. We want to see this also included in the collective agreements between the unions and the general contractors.

Another thing that needs to happen is to also look at the subcontractor community. Yes, there are the large billion-dollar projects, but these billion-dollar projects get broken down through layers of subcontracting. How do we ensure that the supply chain and the subcontractors who are delivering on behalf of these general contractors also have those same requirements and have that same language inside of their contracts?

Mr. Brian Masse: That's excellent.

I'm going to move on to Mr. Breton for a couple of quick questions.

The Chair: My apologies, MP Masse. You're out of time.

Mr. Brian Masse: Sorry, Madam Chair. It went really quickly.

The Chair: That is the end of the first round, and with less than five minutes remaining before the question is put in the House, what I will do is suspend to allow members to be able to hear the question to vote.

Because members have 10 minutes to vote and technically could change their vote during those 10 minutes, I don't want to take away that option for MPs. Once you've voted, if you want to come back to the meeting, I won't start the meeting until MPs have been able to vote and to make sure that their vote is counted.

I will suspend for now. We will go to the vote and I will call the meeting back to order once everyone has had the chance to vote.

Thank you.

● (1215)

_____________________(Pause)_____________________

● (1240)

The Chair: I now call the meeting back to order.

Thank you again for your patience.

We will now start round two. We will turn to MP Barlow.

Welcome to INDU. You have the floor for five minutes.

Mr. John Barlow (Foothills, CPC): Thank you, Madam Chair. I appreciate the welcome and look forward to the discussion.

Mr. Carey, it's good to see you again. I appreciate your insights. I also want to first congratulate you on co-chairing the newly formed Agriculture Carbon Alliance. I think that is an excellent initiative and certainly well-timed, as I think it's an opportunity for us to highlight the incredible work that agriculture has done in sustainability and in protecting our environment over the last few decades. I am hopeful that we'll see some great work come out of that alliance.

In your presentation, Mr. Carey, you were talking about the importance of competitiveness. I couldn't agree with you more. As we try to dig ourselves out of a very deep financial hole as the result of COVID, I see agriculture as one of the critical industries that will provide some economic development opportunities.

How important, when it comes to that competitive factor for agriculture post-COVID, are the government policies that may have hurt that competitiveness—including some reciprocal issues with canola to China, for example? There is now a carbon tax of $170 coming in the next few years. What impact do some of these policies have on the canola industry, and what are some of the things that you see need to be addressed to ensure that competitiveness?

Mr. Dave Carey: Canola and agriculture have a really positive story to tell when it comes to environmental policy and the intersection of agricultural and environmental policy. It's really important, going forward, that there be an understanding, when environmental policy is being crafted, of how agriculture works, so that the policy can be implemented on-farm.

China's closure to the two largest grain handlers has certainly been a huge hit on the industry. We had really strong commodity prices in 2020, which has helped buoy it. Domestic demand for canola for biofuels has certainly helped with this.

When it comes to competitiveness, I think it's important to note that carbon pricing is typically designed to disincentivize certain behaviours. When it comes to primary agriculture in western Canada, there has been a lot of talk about electrification, but there simply is not the infrastructure in western Canada to run a grain dryer, for example. You can't reach the BTUs in Alberta using electricity; you have to use propane and natural gas. If farmers could use more electricity, they would, because it's cheaper than propane and natural gas.

I think it's just understanding the realities on-farm and that we've relied on farmers throughout the pandemic, both from a food security perspective and an export perspective.

Going forward, to address the second part of your question, canola has specific targets, but in agriculture we don't want to break more land; we don't want to put more land into production. What we're trying to do is intensification to get more production per acre—higher yield, less disease, less damage from weather. The way we're going to do that is through new plant breeding innovations, such as gene editing.

The concern we have now is that we're going to achieve those new yields through using technology such as gene editing, but Canada's regulatory environment is one that's not incentivizing small, medium-sized or even global players to invest in plant breeding here.

There have been two examples of Canadian innovations developed in Canada, tested and trialed in Canada and commercialized in the United States because there is a clear path to market.

● (1245)

Mr. John Barlow: That's a a great point, and I couldn't agree with you more on some of those new technologies and innovations, which are so important for agriculture.

One of them would be the pest management tools that you talked about. We've seen some issues with the PMRA, for example, in the way they're assessing some of the very important pest management tools that we ensure are protecting the soil and being able to grow more on less.

How important is it for PMRA to ensure that they're using up-to-date data and strong, rigorous investigation, but also using economic impact as one of the criteria in their analysis of important tools such as neonicotinoids, for example?

Mr. Dave Carey: I think PMRA is a world-class institution. Besides Canada, the U.S. and Australia, there are very few pest management agencies that really uphold the high-level science, using risk as opposed to hazard.

The concern we have is that in the absence of data, as PMRA doesn't currently have a requirement under the Pest Control Products Act to actually do monitoring—water monitoring, for example, for us—they make very conservative assumptions that aren't based on real-world conditions. If that continues to happen, farmers don't have access to tools that actually.... They don't have to plough their land; they can allow cover crops and they can be more sustainable.

It also means that we will not get the next generation of chemistries registered in Canada, because we're taking away technologies, based on science that isn't complete. We need to make sure that PMRA has the data to do their work.

Mr. John Barlow: Thank you very much, Mr. Carey. I appreciate your time.

Thank you, Madam Chair.

The Chair: Thank you very much, MP Barlow.

We'll now go to MP Jaczek for five minutes.

Ms. Helena Jaczek (Markham—Stouffville, Lib.): Thank you very much, Madam Chair, and thank you to all the witnesses. Certainly your testimony has been extremely interesting today and it's covering a wide range of subjects.

My first question is for Ms. Lloyd.

I am aware of some of the good work that Green Economy Canada has been doing, specifically in my riding of Markham—Stouffville. You wanted to emphasize your work with small and medium-sized business. It sounds from your description that you assist them in terms of navigation, opportunities and possible government assistance.

Could you describe that a little bit more? Perhaps you can also allude to where some of Budget 2021 might come in to potentially help some of these small and medium-sized businesses.

Ms. Priyanka Lloyd: Thank you for the question.

Our local green economy hubs, like the ClimateWise Business Network in York region, are membership-based and any business can sign up. Some 85% of the businesses in our network are small and medium-sized enterprises. In signing up, they get support to measure their carbon footprint, because you can't manage what you don't measure. They get support to develop reduction plans aligned with where their biggest sources of emissions come from and to set long-term GHG reduction targets, so that they can make progress towards emissions reductions over the long term and align their business strategies.

What we know for small and medium-sized businesses in particular—although it's true for all businesses—is that they often lack the time, knowledge and resources to do this kind of work on their own. We're doing one project right now that's specifically focused on what it will take to get SME manufacturers to a net-zero emissions future. One of the interesting preliminary findings coming out of that is that, yes, financial pieces are important, but really what's coming out to be just as important is the knowledge of what to do. They keep saying they're ready and interested and they want us to tell them what the next step is to doing this because they don't have the in-house expertise.

At the local level, the hubs bridge that gap and help those businesses understand the pathway for what they need to do in a way that makes good business sense. It connects those businesses to one another, so they can learn, share best practices and then amplify that to share the success stories, so that other businesses can see that there is a financial, social and environmental benefit to doing this work.

In terms of what was there in budget 2021, I think there are lots of good social supports for small businesses, like wage subsidies and support for digitization and all of that. Truthfully, we did see a gap there in budget 2021. It's a gap that has been there not just this time, but historically, in really looking at how to help small businesses incorporate some of these green practices into their operations.

Things like retrofit funding specifically geared toward small businesses would have been extremely helpful. Typically, the way these programs have been designed in the past has favoured larger organizations. The project threshold and the application processes have been really difficult for small businesses to access. We know that things like energy efficiency are quick wins for businesses because they also often come with financial savings.

Hopefully there are more investments to come and this is something that can be looked at more seriously. Investments in heavy industry and clean tech are really important. It's a critical part of us getting to where we need to be, but it feels like, in general, the small business perspective and the value that's placed on small businesses doing their part have not yet been recognized or invested in.

● (1250)

Ms. Helena Jaczek: One solution, potentially, would be to lower thresholds for applications for some of these financial opportunities.

Are there other specific things that you could recommend?

Ms. Priyanka Lloyd: Absolutely. There are a couple of categories. In terms of retrofit projects and project design, making smaller projects eligible and providing more upfront capital is going to help those businesses actually take on those projects and access those things. Streamlining the application process would also be really useful.

Outside of those financial incentives for capital projects, support to help businesses to build their internal capacity is really important. Things like the NRCan energy manager program—being able to bring an energy manager into an organization—are really useful.

We talk about job skills training, but there's also a whole workforce of businesses that haven't been designed with green in mind. How we start to train everyday people internally to understand what a transition to a green economy means will be really important. To be able to scale up networks like ours that provide that support and connection at the local level so that businesses can undertake this work is going to be really important, too.

The Chair: Thank you very much.

[*Translation*]

Mr. Lemire, you may go ahead. You have two and a half minutes.

Mr. Sébastien Lemire: Thank you, Madam Chair.

Mr. Breton, you mentioned in your opening statement that building a zero-emission vehicle supply chain was necessary for industry-wide electric mobility.

What elements are needed to build that supply chain?

Mr. Daniel Breton: Taking into account the whole ecosystem is key, from mining, R and D and university involvement to assembly, infrastructure and recycling. Recycling is an important piece we haven't talked a lot about. The diesel or gas used to power traditional vehicles is not recyclable, whereas up to 95% of the components in electric vehicle batteries can be recycled. That is a priority focus for companies like Lithion, in Quebec. Lithion developed an exciting new technology and just signed an agreement with Hyundai Canada to recycle batteries.

We can't build a complete supply chain by sending raw materials out of the country for processing to be returned as finished products. A secondary and tertiary processing industry would create added value. Unfortunately, that has not been the habit of Quebec or Canada in the past. As a former environment minister, I saw the approach that was taken when it came to our lumber and iron industries. Back then, they used to say, “10¢ per tonne”.

● (1255)

Mr. Sébastien Lemire: It was a penny per tonne.

Mr. Daniel Breton: Yes, that's right.

All that to say, I think we can take a much better approach. We have a once-in-a-lifetime opportunity to create good quality jobs in the electric mobility sector in Quebec and Canada, an opportunity that won't come again. Things are really starting to ramp up all over the world, whether in China, Europe or the United States. If Canada does not adopt a plan to develop its own electric mobility industry, it will be left with scraps, both job- and vehicle-wise.

Mr. Sébastien Lemire: As a member who represents a mining area, I can certainly attest to the importance of what you're saying.

Last week, the Minister of Finance delivered the budget, and it was passed yesterday. Could you comment on the measures in the budget to support electric mobility? The government recognized the importance of investing in the sector, so that is an important first step. Nonetheless, it could have provided more funding.

What are your thoughts?

Mr. Daniel Breton: The finance minister's budget investments were actually more general. Some of the measures seem promising, but the details are lacking. We are eager to find out more to get a better sense of how electric mobility will take shape the weeks and months ahead.

Mr. Sébastien Lemire: I see. I am counting on you to stay on top of the situation.

Thank you very much.

The Chair: Thank you.

[*English*]

We will now go to MP Masse.

You have the floor for two and a half minutes.

Mr. Brian Masse: Thank you, Madam Chair.

Mr. Breton, I can remember back in 2003 when I showed the film *Who Killed the Electric Car?* It was based on the EV that General Motors had done. Now we've come full circle to embracing it quite differently.

One of the interesting side effects we have now is something that you noted, which I don't think gets a lot of recognition. I also worked on a bill called, in short, the right to repair, dealing with the automotive aftermarket. It was about getting the information, technology, equipment and servicing for people, other than dealerships, who are fixing vehicles. In the United States that was provided because of the Environmental Protection Agency and other work.

Tesla now refuses to sign the voluntary agreement. To make a long story short, my bill passed second reading in the House of Commons but eventually became a voluntary agreement. Tesla hasn't signed on to that. I'm just curious about what we should do about that and whether perhaps we need to maybe look at a non-voluntary agreement at some point. If we're going to have more electric vehicle suppliers come into Canada, they should all be living up to the same rules.

Mr. Daniel Breton: I think so. I agree.

By the way, I used to assemble Chevrolets myself in Sainte-Thérèse when I was a student. So I know about vehicle assembly.

I think this is a very important issue. We have to look into that. I mean, not everybody, but qualified technicians can fix your vehicle, whatever the brand.

Mr. Brian Masse: You mentioned a training program. I think that's where this budget could actually do some work, because there are some aftermarket progressive people—Bento from Bento's automotive in Toronto and others—who are actually doing some training, but there's no real electric training out there for many vehicles.

It's interesting; my friend has an electric vehicle, and Ford still tried to sell him oil changes.

Voices: Oh, oh!

Mr. Brian Masse: They weren't trying to do anything improper. They just didn't have the skill set down into even their sales department. It's changed.

Do you have any thoughts on how to roll out a program to accredit people in the aftermarket to provide that?

Mr. Daniel Breton: Actually, EMC's members are working on putting together programs, whether they're at the high school level, the university level or the college level, because we will need to have more and more training and retraining. That's something that EMC works on.

I can tell you that we've had discussions with different colleges in Canada, so it's on its way. Quebec is leading the way with B.C., but there's a big future for colleges, universities and high schools in that.

Mr. Brian Masse: That's exciting news. "It's the platinum age of auto" is what I'm saying, because if you look over where I'm from, Detroit, Michigan, is just outside of that. There's unbelievable reinvestment in the electrification and the process, and the aftermarket sometimes gets forgotten about, but I think it's important.

The Chair: Thank you very much, MP Masse.

Mr. Brian Masse: Thank you, Madam Chair.

The Chair: We'll now go to MP Baldinelli.

You have the floor for five minutes.

Mr. Tony Baldinelli (Niagara Falls, CPC): Thank you, Madam Chair.

Thank you to the witnesses for being with us today.

I want to build on the comments of one of my colleagues earlier. My question will probably be for Ms. Franc, building on the responses of Ms. Lloyd. These are two organizations with similar issues: how we support the small and medium-sized enterprises and the non-profits.

Ms. Franc, you talked about your 743 organizations' holding 17,000 events throughout the year and the importance to communities and so on.

You also mentioned your four-point plan with regard to some of the things that can be done for a green recovery and the supporting of that. I know that in previous conversations that we've had, you've always raised the issue of how difficult it is from the small fairs and events and being [*Technical difficulty—Editor*] larger events and how the criteria sometimes don't apply.

Have you had an the opportunity to sit down with government and discuss those four criteria? Can you explain a little of, sometimes, those difficult criteria you face with agriculture, and sometimes it's heritage, and the difficulties that you have in getting out your message on the needs of your sector?

● (1300)

Ms. Christina Franc: First of all, in terms of the four-point plan towards sustainability—and because of COVID in particular—over the past year, our priority has been more immediate support for the industry and looking into the next part of your question, actually: that we don't fit into one federal department. That's always been our challenge.

Our institutions are non-profit, volunteer-run, but they, historically, have been founded on agriculture, 4-H shows and animal competitions. They've grown to be pillars of tourism, community economic development and Canadian heritage, so we touch all of those departments in different ways. Because of that, we haven't found a home. Everyone keeps on batting us from one department to another, and that's been one of our biggest challenges in terms of getting support and ownership.

It's the same thing even in the context of sustainability and green initiatives. I would be fearful, depending on where the initiatives go, that they wouldn't be accessible to us because we're not categorized in the right department.

We'll definitely be taking this four-point plan forward in our conversations and hoping that we are included in whatever proposals come out.

Mr. Tony Baldinelli: Thank you for that.

It kind of touched on some of the aspects that Ms. Lloyd also mentioned about the small and medium-sized enterprises, some of the programs that are more tailored for larger industries and the concerns about trying to get those to smaller businesses, which are just as important. You talk about your 743 organizations and the number of small and medium-sized enterprises that they will then build with and bring on to help support those events.

I'll go to Ms. Lloyd now.

I was interested in your comments and the notion of the lack of critical knowledge that is housed in these small and medium-sized enterprises. Are there any specific recommendations that you have for the federal government in terms of some of its funding support that can be provided to small and medium-sized enterprises, be it a tax credit, for example, to assist them so that they can start developing those plans?

Ms. Priyanka Lloyd: Absolutely.

Tax credits would help. Incentive programs like I talked about before would help, too, to reduce some of the upfront capital costs. Even the funding that's available to support [*Technical difficulty—Editor*] development skills within the organizations.

One of the things that we hear, especially with COVID, is that the support that we provide through our green economy hubs is incredibly valuable, in having that sort of touchstone and the availability of that knowledge, externally, to draw on. The ability to afford membership fees, even now in the COVID context, is quite difficult. Any kinds of incentives that actually allow those businesses to pay to access the kinds of supports—one example of which is what we provide—that actually help them figure out what to do would be really useful.

In funding envelopes, traditionally what's been there is that projects are funded looking at dollars per tonne reduced—what the return is that's going to be there. That metric doesn't really apply for a small business because you're not going to get the same sort of dollars per tonne reduced as a large organization would. However, in those projects, if part of what can be funded is actually eligible costs, that could be to go towards energy auditors or organizations that can help them understand what their footprint is and what to do next. That could really go a long way to fill that gap.

Mr. Tony Baldinelli: Thank you.

Thank you, Madam Chair.

The Chair: Thank you very much.

We will now go to MP Jowhari. You have the floor for five minutes.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Madam Chair; and to all the witnesses, thank you for your testimonies here today.

I'm going to continue with Ms. Lloyd.

I understand that your group has recently launched a pilot project called SME net-zero pathways. Can you give us an update on this project? Where are you and what types of small businesses are you focusing on?

I have about 4,500 small businesses in my riding of Richmond Hill, which is part of York region. I have an array of different sectors, and I'm very much interested in getting to know about this pilot project and how I can help small businesses achieve that net-zero goal.

If you can expand on that, I would really appreciate it.

● (1305)

Ms. Priyanka Lloyd: Absolutely.

The federal government has set goals to be net zero by 2050 and there's a lot of talk about this. The pathways of how we're going to get there are still largely unknown. A level down, the role that SMEs are going to play or how they are going to be impacted is also still being discovered.

The project we're doing right now is a pilot with 10 manufacturers from across Ontario. They're being supported with a technical study. The Delphi Group is the consulting partner. They're doing a technical study to understand the operations of each business and to try to figure out, based on their operations, what kinds of projects they can implement and how far that is going to get us towards net zero.

They're asking what things are in their control, [*Technical difficulty—Editor*] available that they could implement, and what's the business case for doing that? Then what are some of the broader changes that would need to happen from a policy perspective that could make a significant change to get us the rest of the way there, including technologies, known or unknown, that might need to come out in the next little while?

We're just in the process of finishing these technical studies. We're hosting a round table in June. The policy-makers, the federal, provincial and municipal levels, will be invited to share the findings and hear directly from the SME manufacturers. If any of you folks are interested in attending, I would be happy to give you an invitation.

The goal there would be to understand the barriers and supports that SMEs face in transitioning to net zero.

The Pembina Institute is also doing a broad-scale policy scan. Their initial findings have been that there are very few policies directly targeted at enabling SMEs to make this transition.

The goal of this type of work is that over this next year we'll be releasing a report and doing a communications campaign to be able to take this project and scale that up, to be able to go into manufacturing networks and tell manufacturers, here's what a road map looks like; here are the things you can do; and by the way, here's the benefit to you to taking this on.

This type of project can be replicated across different sectors. It's possible because of capacity-building, network-based initiatives like ours, which is what we're recommending we need to invest more in.

We're happy to look at how to get more businesses locally involved.

Mr. Majid Jowhari: Thank you. I appreciate that.

I have a couple of minutes now and I would like to go to Mr. O'Callaghan.

In your team's most recent publication, *Are We Building Back Better? Evidence from 2020 and Pathways to Inclusive Green Recovery Spending*, you stated that investment in green energy can deliver high economic multipliers, have high potential to crowd in private investment and are an important step on the road to economy-wide decarbonization.

Can you elaborate on that?

Mr. Brian O'Callaghan: Sure. I'll take each point as they come.

On the short-run and long-run economic multipliers, the benefits of clean energy investment are that they can be quite job heavy in the short-term. In being job-heavy, as long as you're employing domestically skilled labour, you're able to keep a lot of that spending within the borders. In that way, not very much capital flows outside.

Additionally, if you have source materials locally available, such as the steel for your turbines or the solar cells in your panels, again that investment can be kept domestic. The opportunity to crowd in private investment is quite pertinent in the Canadian context because you're a little more developed along the clean energy curve than some other countries, similar to here in the U.K. A very small amount of investment can incentivize quite a big amount of private investment. There are just small hurdles left in making renewables competitive compared to other alternatives at the shoulder points in the day in terms of energy supply. They're already competitive during the middle of the day.

I'm seeing a red flag. I might have to stop there.

Sorry, Sherry.

The Chair: Thank you so much.

We've just finished the second round, and I know we're a little over time, but I wanted to allow each party to have one more slot. We'll go until 1:30 p.m., which will allow each party to have their time.

[*Translation*]

It is now Mr. Généreux's turn for five minutes.

● (1310)

Mr. Bernard Généreux: Mr. Breton, you shared quite a few numbers in your opening statement, but one, in particular, jumped out at me: the $200 billion in revenue between 2021 and 2030.

What exactly does that figure refer to?

Mr. Daniel Breton: It refers to the manufacturing and sales of service vehicles, the deployment of charging infrastructure, and the manufacturing of trucks, buses and school buses.

Mr. Bernard Généreux: Thank you.

From 2005 to 2015, Canada could not manage to reduce its greenhouse gas emissions, and now, the government hopes to cut them by approximately 40% by 2030, at least, potentially.

Is that realistic?

You said that cutting our emissions by 39% in nine years was feasible, but how if we couldn't do it in 15 years?

Mr. Daniel Breton: It's feasible if the government invests in Canadian electric mobility businesses and in renewable energy. I'm no longer in government, but I would say a whole slew of measures could be implemented to support that.

I think it is feasible. Other countries have even more ambitious targets than Canada does. There's no denying the facts: environmentally speaking, we are running out of time. We have to reduce our greenhouse gas emissions.

By the way, I want to applaud the Conservative Party on its climate plan, which includes support for electric mobility through a zero-emission vehicle mandate and greater investment in electric vehicles.

I want to underscore something Ms. Lloyd talked about because I think it's extremely important. Small and medium-sized businesses need support for electric mobility too. They have a hard time obtaining funding.

Government support tends to go to the multinationals, which don't need the help as much as small and medium-sized businesses do. The exact same thing is happening in electric mobility. Take Taiga Motors, for example. Three former McGill University students founded the company but they weren't able to find funding in Canada. They turned to the U.S. stock exchange and were able to access half a billion dollars. I think that's one of the areas the Canadian government really needs to focus on.

Mr. Bernard Généreux: Thank you.

Ms. Lloyd, I'm a business owner. My company has 30 employees, and we provide printing, graphic design and communications services. We endeavour to reduce our environmental footprint and we were actually recognized by RECYC-QUÉBEC in 2002 or 2003—I can't remember which year exactly—for being the first company to recycle 95% of its inputs. We were ahead of the curve back then.

All small and medium-sized businesses combined could obviously do a lot for the environment. What upfront barriers do they run into when trying to reduce their environmental footprint? Are the barriers purely economic or financial?

[*English*]

Ms. Priyanka Lloyd: Thank you.

The upfront financial cost is a significant barrier, but what we're seeing is that it is time. They don't often have dedicated people in-house who focus on sustainability. These aren't skills they initially had or were taught to do.

The second thing is that, in terms of what can actually be done, it's really hard to sort through all of the information about what is good to do, what the right projects are, what makes sense for a particular business, what actions can be taken, what makes sense to do now versus in the future, and how this will change based on a specific business. They ask, “As my business is growing, how do I continue to build in the right way so that I can continue my growth, but also reduce emissions?” How do they make sense of all of the programs that exist when they don't last long enough for businesses to know what's here and what's gone? Finding a way to support intermediaries and bring that information together in a way that makes sense for that business—with the bandwidth they have—is really important and it is something that's been missing.

[*Translation*]

Mr. Bernard Généreux: Thank you, Madam Chair.

Thank you to the witnesses.

The Chair: Thank you.

[*English*]

We will now go to MP Lambropoulos. You have the floor for five minutes.

Ms. Emmanuella Lambropoulos (Saint-Laurent, Lib.): Thank you, Madam Chair.

I'd like to thank all of the witnesses who have given us all of this information today. It's a really interesting panel and a great discussion.

One of my first questions is for Ms. Powell and Mr. Baker. You spoke about not only building back greener, but also building back more equitably and making sure that everybody gets to benefit from the economy going forward. You did talk about different ways the federal government can help us do this, by making sure that when writing up contracts, these things are part of the contract and making sure this is accounted for. You also mentioned that it's a huge ecosystem. There are contractors and subcontractors who don't necessarily have contracts with the federal government, but who are a little bit, but not directly, in contact with us. What types of ways do you think the federal government can influence this—I guess not necessarily with regard to direct contracts—to make sure that everybody's included in the economy going forward?

● (1315)

Mr. Kumsa Baker: I think that in terms of building out community benefit policies, it's making sure, at the very least, that there is reporting going back to the general contractors from the subcontractors on how they are performing in relation to those equity targets. We do understand that a large portion of the work does happen with subcontractors, so one of the things that we've been trying to do is more education with subcontractors, and making sure that information is very clear and is presented. That's a lot of work that's taken on by a community.

As TCBN, as part of all the current projects that we're involved in, like the Eglinton Crosstown LRT with Metrolinx, we do have an active working group that meets quarterly, so we make sure that these general contractors who are at the table as part of these working groups are regularly reporting back to their subcontractors, presenting information about the targets they need to meet, and working collaboratively to be able to achieve that.

I don't think it can be left to one specific sector. I think it's important to have all parties at the table who are regularly meeting to monitor and to make sure that those goals are being achieved. We support that collaborative approach, and it does take investment, so organizations like Toronto Community Benefits Network that are doing this work definitely need that type of support, and we have seen additional increases through the budget recently to help support with this workforce development planning to make sure that we're reaching those objectives.

Ms. Emmanuella Lambropoulos: Thank you very much.

Ms. Lloyd, you spoke about the barriers that small businesses face when trying to reach that zero-emission target as well. There's a company in my riding called ERA, which works with companies to help them reach these targets and become more environmentally friendly. This obviously helps businesses, because like you said, they may not necessarily know on their own how to go greener. When an outside company comes in and does their assessment and makes sure...that's one way, I think, that people and companies can benefit and go forward by hiring an outside expert. Obviously, if they had money from the government to pay for these types of assessments, that would be beneficial. I know you already covered this, but perhaps you can go over some of the obstacles that small businesses face and why they're not necessarily jumping onboard, even though it's the popular thing to do and the right thing to do.

Ms. Priyanka Lloyd: Yes, for sure.

To that point about existing support, I think one of the barriers businesses face in accesing that and which I didn't share is that right now they're not being well-served by the private sector. Consultants are often very expensive for small businesses to afford, and they're great to go deep on a particular area, but there isn't much of that broad-ranging support available.

As for why they're not making more progress, there are a couple of different factors. One is the external incentives and consumers' willingness to pay for products that are greener, or for raw material inputs that cost more to manufacture, for example. The playing field hasn't yet been there. I think anything the government can do to align those market incentives so that organizations that are doing things the right way can be rewarded in the marketplace would be a good thing.

● (1320)

The Chair: Thank you very much.

[*Translation*]

Mr. Lemire, it is your turn. You have two and a half minutes.

Mr. Sébastien Lemire: Thank you, Madam Chair.

My question is for Mr. Breton, from Electric Mobility Canada.

You talked about the importance of developing an electric mobility strategy, one that includes the deployment of charging stations for zero-emission vehicles. You are pushing for government institutions and Crown corporations to significantly electrify their fleets.

Can you tell us more about that?

Mr. Daniel Breton: A lot of people think that electric vehicles are only for city use, that they aren't made for life in the suburbs, on the outskirts or in remote areas.

The biggest challenge is not so much regional use, because most charging happens at home. I live a good ways from the city, but usually, it's no trouble for people like me to have a charging station installed out front or in the garage. The real challenge is downtowns, be it in Quebec City, Montreal, Toronto or Calgary. Will people who work in office towers or who live on the eighth, 10th or 12th floor of an apartment building have access to charging stations? Those types of situations are more challenging, so that's why we need a plan to deploy charging stations in downtowns. That remains a tremendous challenge.

A few cornerstones of electric mobility can go a long way towards expediting the electrification of transportation. More charging infrastructure is needed, and so is more education and training, for both consumers and workers. Falsehoods are rife when it comes to electrification, transportation and electric vehicles overall.

In addition, until price parity is achieved, more rebates are obviously needed to make electric vehicles more affordable, and I don't mean just cars. Most of the electric pickup trucks and SUVs coming onto the market probably won't qualify for federal rebates. To me, that's unfair, from a regional standpoint and a use standpoint. Why shouldn't someone who needs a pickup truck for work not be eligible for a rebate?

As far as we are concerned, a federal zero-emission law applicable to light-duty and heavy-duty vehicles is a must, all the more so if Canada wants to achieve its greenhouse gas emission reduction targets and adopt an electric vehicle policy modelled on California's. Last week, in fact, the governors of 12 states in the U.S. called on President Joe Biden to introduce federal zero-emission legislation.

Mr. Sébastien Lemire: Should the federal government lead by example and electrify its own fleet?

The Chair: You're out of time, Mr. Lemire.

[*English*]

Our last round will go to MP Masse.

Mr. Brian Masse: Thank you, Madam Chair.

Ms. Lloyd, do we almost need an ISO standard for small and medium-sized businesses and supports for them? I get your point that many of them don't have in-house human resources, such as in-house accountants or lawyers. Trying to take advantage of some of the government programs is very difficult. Would it make sense to do some type of standardization and then incentivize that standardization to make it available to the different SMEs?

Ms. Priyanka Lloyd: Is that standardization in terms of supports or just in terms of what is required for businesses to green their operations?

Mr. Brian Masse: It's both, actually. One doesn't work without the other. It just spins out of control.

Ms. Priyanka Lloyd: There was an article published in the Globe and Mail recently about the need to have more consistency in how businesses in general, whether they're small businesses or not, are defining what getting to net zero means. Right now there's not even consistency there in terms of how organizations are using offsets, for example, versus true reductions, and whether they're just focusing directly on their own operations or they're also targeting emissions from their value chain.

I think in general, as part of Canada's transition strategy to get to net zero, there does need to be more consistency and definition of what we mean by that. The pathways will look different for different industries. The pathways will also look different for different sizes of business. I think anything that on the whole would allow us to have a discussion where we're all talking about the same thing, and anything that provides more focus on the needs of small business, and especially what they need, which has been lacking, will be helpful as we think about this transition. Especially given that small and medium-sized businesses make up 99% of our economy, and we know that having a strong economy will be really important, we need to figure out how to transition the bulk of the economy together.

● (1325)

Mr. Brian Masse: Thanks.

To the Toronto Community Benefits Network, just quickly, the United States actually has guaranteed percentages for federal contracts and regional expectations and actually does follow-up. Is that similar to what you're requesting? Is it a model maybe not exactly like that but one with accountability drawn into the contracts, which can be measured later on and have specific regional and localized results that can measure the results of the minority groups that are identified in terms of being deficient in the economy, and then getting support later on and getting real results from that activity of the federal money?

Ms. Rosemarie Powell: You are absolutely correct. That's exactly what we're looking for. For Community Benefits we must have targets and a baseline understanding of where we're at, a target for where we want to go, and a continuous intention process to actually get there. This needs to be in the contract with the contractors.

Mr. Brian Masse: Thank you for that.

I wish we had more time for Mr. Breton.

A bunch of incentive programs have been out there. The ecoAUTO rebate was put in place, and the Pacific incentive has been provided as well.

Thanks, Madam Chair.

There's lots of good stuff.

The Chair: Thank you so much.

That is our time for today.

I want to thank the witnesses for their excellent testimony and their patience with us today. If there's anything you did not get to share with the committee today that you think would be important, you can submit a brief to the clerk. Feel free to send it directly to the clerk and he'll make sure that it's translated in both official languages and circulated to the committee. I say this because you may not have had a chance to get all of what you wanted on the record.

With that, I'd like to thank MPs again for your patience. Also, thanks to the folks in the room who make everything that we do possible.

[*Translation*]

My sincere thanks to the IT team, the interpreters and the staff in the room. Your hard work is greatly appreciated.

[*English*]

With that, we will call the meeting adjourned.