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# Standing Committee on Natural Resources

EVIDENCE

**NUMBER 009**

Friday, December 11, 2020

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Chair: Mr. James Maloney





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• (1305)

[English]

**The Vice-Chair (Mr. Greg McLean (Calgary Centre, CPC)):** Welcome to meeting number nine of the House of Commons Standing Committee on Natural Resources.

Today we are meeting to discuss the subject matter of main estimates and supplementary estimates, 2020-21.

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 floor, English or French. Before speaking, please wait until I recognize you by name.

If you are on the video conference, please click on the microphone icon to unmute yourself. Those in this room, your microphone will be controlled, as normal, by the proceedings and verification officer.

A reminder that all comments, by members and witnesses, should be addressed through the chair. When you are not speaking, your mike should be on mute.

With regard to a speaking list, the committee clerk and I will do our best to maintain the consolidated order of speakers, whether they are participating virtually or in person.

I would now like to welcome our witnesses, including Minister O'Regan, who will have five minutes for his opening statement before we move to questions and answers.

Welcome, Minister. On behalf of the whole committee, please accept our condolences for your recent loss.

Thank you for being here today.

**Hon. Seamus O'Regan (Minister of Natural Resources):** Thank you, Mr. Chair.

I'm getting an echo when I'm speaking. I don't know if you can do anything about that.

• (1310)

**The Vice-Chair (Mr. Greg McLean):** IT is looking into it.

We'll suspend for five minutes.

Thank you for your patience, everyone.

• (1310)

(Pause)

• (1315)

**The Vice-Chair (Mr. Greg McLean):** We're going to restart the meeting now. I'll call the meeting back to order.

Minister O'Regan, please give us your remarks.

**Hon. Seamus O'Regan:** Thank you, Mr. Chair.

Thank you, colleagues.

Now I'm getting an echo and the French translation again.

**The Vice-Chair (Mr. Greg McLean):** I'm being asked by IT to suspend again, so I'll suspend the meeting here for another five minutes.

• (1315)

(Pause)

• (1325)

**The Vice-Chair (Mr. Greg McLean):** I will reconvene the meeting.

I suggest we commence where we left off, which was with introducing the minister so he can make his comments to this committee.

Minister, please go ahead.

**Hon. Seamus O'Regan:** Thank you, Mr. Chair.

Thank you all for your kindness and understanding regarding my cancellation, I think, three weeks ago.

I am joining you from the Island of Newfoundland, which is the ancestral homeland of the Mi'kmaq and Beothuk.

I know my time here is short and I want to touch on two very important things right off the top.

First, I want to state very clearly that the best thing we can do for all of our natural resource industries is to wear a mask, wash our hands and physically distance when possible. Hope is coming; vaccines are coming, but we have to be vigilant until then.

Second, I want to send a very clear message to every worker, family and business that is relying on the Keystone XL project that our support for this project has been and continues to be unwavering. On their very first call, the Prime Minister discussed Keystone with President-elect Biden. That is the very definition, I would argue, of a priority.

I would add that one of the strongest arguments we can make for Keystone is our record on tackling climate change. Today, my colleague the Minister of Environment announced a historic part of this fight, with 64 new measures and \$15 billion in investments to protect our environment, make life more affordable and make our communities more livable. That includes almost a billion dollars for renewable energy and smart grids to enable the clean grid of the future; \$2 billion in repayable financing for commercial and large-scale building retrofits; \$1.5 billion in a low-emissions fund for hydrogen and renewable natural gas; \$3 billion for expediting decarbonization projects for large emitters; incentives for EVs, and a further \$300 million to support off-diesel initiatives. This builds on the work that we're already doing.

[Translation]

Canada has a price on pollution. We are phasing out coal-generated electricity and we are legislating accountability for our goal of net-zero emissions by 2050. We are making significant investments to reduce carbon and methane emissions, and build our capacity for renewables. We are investing in new opportunities and innovation such as hydrogen, carbon capture and small modular reactors.

• (1330)

[English]

This is the same vision we laid out in the Speech from the Throne this fall and that we have continued to implement with our fall economic statement last month, including another \$2.6 billion over seven years for retrofits and jobs to make our homes more energy efficient, and a further \$150 million to build more charging stations for electric vehicles.

[Translation]

This is the same vision we laid out in our Speech from the Throne this fall.

[English]

We are using natural solutions to fight climate change, with....

Sorry, but I guess in all the technical confusion I have to find my notes. Here we are.

**The Vice-Chair (Mr. Greg McLean):** Minister, I'm told that the unfortunate solution may be to speak in only one language. It's the toggling back and forth that might be causing some of the problem this time. I apologize.

**Hon. Seamus O'Regan:** Yes, okay.

We are using natural solutions to fight climate change, with \$3.2 billion to plant an additional two billion trees over the next 10 years. This is in addition to the \$30 million that we sought in the estimates to support COVID-19 safety measures in the forestry sector, a further \$22 million this year to combat mountain pine beetle infestations and \$12 million to fight the spruce budworm in Quebec. Our forestry sector is a crucial part of our economy and our fight against climate change.

All of this is taking place while we support our resource sectors, and most importantly our workers, in the midst of a global pandemic. We put in place a 75% wage subsidy to protect vulnerable jobs. We announced further support with increased flow-through share

flexibility for junior exploration companies. We announced \$1.7 billion to clean up inactive and abandoned wells and close to \$400 million to upgrade and repair facilities for our offshore in Newfoundland and Labrador.

From the beginning, workers have been at the heart of everything we've done. They will continue to be at the heart of everything we do. Our resource sector is the foundation of Canada's recovery and our net-zero future, and together we have to lay the foundation for its success.

I look forward to the committee's questions.

**The Vice-Chair (Mr. Greg McLean):** Minister, thank you.

I know there has been a significant delay of about half an hour. Can you let us know how long you will be available for questioning at this point?

**Hon. Seamus O'Regan:** As far as I'm concerned, Mr. Chair, we should respect the time that was allotted. I'm willing to go as long as we have to go to keep the appointed time.

**The Vice-Chair (Mr. Greg McLean):** Thank you, Minister.

First up will be MP Jeremy Patzer.

**Mr. Jeremy Patzer (Cypress Hills—Grasslands, CPC):** Thank you very much, Mr. Chair.

Thank you, Minister, for joining us here today. We're glad to see you at committee for the first time. For the sake of struggling Canadians who are looking for help, I hope you'll stay for as long as it takes to give us some answers, which you committed to doing, so thank you for that.

You offered people public health advice, which they're already getting from chief medical officers. I appreciate that, but what they really need from you is to hear a lot more about a serious full-scale plan to save their jobs and meet their needs by supporting Canada's energy sector.

In your comments, you said one phone call between the Prime Minister and President-elect Biden was the definition of a priority. It's been over a month since the Prime Minister made one call about Keystone XL. Is that the last time you took any action to save the project?

**Hon. Seamus O'Regan:** No. Alberta's energy minister Sonya Savage; James Rajotte, who's the Alberta envoy in Washington, D.C.; and I have been discussing weekly how we'll make the case for Keystone, how we'll make the case for Canada's energy sector in Washington and how we'll position Canada with an incoming administration that looks to be the most sweeping environmentalist administration the United States has ever seen. It is crucially important to our energy sector that we get this right.

On Tuesday, Mr. Rajotte and I appeared together at a summit that was held by the Canadian embassy in Washington. It had a lot of what we consider to be influencers in perhaps a future administration, but also influential people right now in Washington.

We appeared to make the case for Canada's energy. We made the case that Alberta, Saskatchewan and Newfoundland and Labrador, our oil-producing provinces, are the tops in the world at ESG; that we are lowering emissions considerably; that we have put a price on pollution; and that we should be the preferred partner and supplier of oil and natural gas to the United States. We have taken a team Canada approach in much the same way as we did with NAFTA. We are doing it together.

• (1335)

**Mr. Jeremy Patzer:** Thank you very much, Minister.

Part of your team Canada approach, I'm hoping, then, would be to ensure that Keystone XL gets built. First nations groups are reaching out. I'm sure you're well aware of the Natural Law Energy group, which is five different first nations, one of which is in my riding. They have an equity stake now in Keystone XL, so it's extremely important to them. For the sake of them, I really hope you will do everything in your power to ensure that this project is completed.

I want to move along here. Do you know how many jobs have been lost in the Canadian energy sector in the last five years?

**Hon. Seamus O'Regan:** It's been considerable. I would say that one of the things we did, particularly with the \$1.7 billion we put forward on orphan and inactive wells, was to make sure we considerably lessened the number of people we would lose. It's not simply about looking after workers, who, as I have said, are our first priority; the other extremely important part, as I have said, is that natural resources and our natural resource sector will be pivotal, central, to the recovery of this country. We can't afford to lose talented people. We can't afford to lose experienced people in the field or in the corporate offices of our energy companies in Calgary or Edmonton or St. John's. We don't want to lose these people. Keeping people in place is vitally important.

That was a huge priority for us with both the wage subsidy and the \$1.7 billion we put forward on orphan and inactive wells.

**Mr. Jeremy Patzer:** I'm sure you're aware, then, that Evraz in Regina just laid off 600 workers because there is no work. There is no demand for Canadian steel. We've seen LNG projects being prioritized with Chinese steel, not Canadian steel. That's a huge problem.

As I look line by line at the supplementary numbers here, I'm wondering if there is any funding through your department to help

combat misinformation campaigns and campaigns against Canadian resource industries.

**Hon. Seamus O'Regan:** We have taken an initiative with the Alberta government to make sure we are prominent in Washington, D.C., right now. I'll be honest; that's the audience that concerns me the most. I want to make sure our story gets told, and gets told well. I can tell you, and Mr. Rajotte and I think Minister Savage would say the same, that the Canadian embassy in Washington and Ambassador Hillman are completely engaged on this. They understand the importance of it and have been working Washington, together with Mr. Rajotte, considerably. They have been working together hand in glove.

We have been making sure that our story is being told by the people who will make decisions on Capitol Hill and in an incoming administration that has clearly made the environment and combating climate change a priority. I read a lot into the fact that John Kerry, former presidential candidate, is now—

**Mr. Jeremy Patzer:** I'm sorry, Minister. I'm going to cut you off there. I have one more question I really want to ask you before my time runs out.

**The Vice-Chair (Mr. Greg McLean):** Go ahead, Jeremy, but quickly.

**Mr. Jeremy Patzer:** Really quickly, Minister, on the \$159 million for responsible and renewable resource development, you briefly mention carbon capturing in your notes. I'm just wondering how much of a priority carbon capture and storage is and how much of that \$159 million will go toward technologies like carbon capture, which globally need to be part of the solution when reducing emissions.

**Hon. Seamus O'Regan:** There's no question that carbon capture will figure very prominently. When I speak with Minister Savage, it's at the top of the list. We see an incredible amount of potential.

At the end of the day, the most important thing is lowering emissions. Regardless of the industry or where you are in the country, it is about lowering emissions. Carbon capture allows us the opportunity to make sure those emissions are offset. The important thing, when we talk about net zero, is the word "net". It means "net" zero emissions. That means carbon capture can play a part in capturing those emissions.

We think there's an incredible opportunity there for it. We also think there's an incredible opportunity for carbon capture with hydrogen.

• (1340)

**The Vice-Chair (Mr. Greg McLean):** Thank you, Minister, and thank you, Mr. Patzer.

I think MP May and MP Sidhu will be splitting the time.

MP May, I think you will probably go first.

**Mr. Bryan May (Cambridge, Lib.):** Thank you, Mr. Chair.

Thank you, Minister, for being with us today and for your continued patience. It wouldn't be 2020 if the technical gremlins didn't beat us up right until the bitter end.

Before I ask my question, I want to thank all the technical folks in the room for fixing this as quickly as they did.

Just quickly, because I am sharing my time with MP Sidhu, we know that the decarbonization of industrial processes is a key component in getting Canada to meet its net-zero target. Decarbonization can also present a major economic opportunity with the ability to deploy innovative technologies and non-conventional methods to continue to produce the energy and products we need but in a lower-emitting fashion.

Minister, can you share with us some of the work NRCan is doing in this space? Are there any particular projects that you are excited about?

**Hon. Seamus O'Regan:** We're working hard to make sure our traditional industries are more sustainable than ever. We need to make sure that we're adopting new technologies and new methods to help get us there, like carbon capture. We announced \$3 billion for a net-zero accelerator fund to scale up clean technologies, and that's building off other investments we've made.

There was \$750 million towards a methane reduction fund. There is incredible potential for new technologies like small modular reactors, SMRs. Canada's a tier-one nation for nuclear with a sector that contributes \$17 billion to the economy every year. It employs 76,000 Canadians. I think SMRs could hold incredible potential to help us with electrifying more remote industrial areas that are not connected to the grid and lowering their emissions. We're working with over 100 partners from right across the country to develop our action plan on SMRs and to really seize this opportunity globally. I'm impatient to be releasing that. It will be very soon. It will emphasize that Canada is seizing this SMR opportunity and that it is very well positioned to develop this technology globally.

**Mr. Bryan May:** Thank you, Minister. I know that there are companies in my riding like BWXT and ATS that will be very pleased to hear that answer.

I'll share the rest of my time with MP Sidhu, Mr. Chair.

**Mr. Maninder Sidhu (Brampton East, Lib.):** Thank you.

Thank you to the minister for being here. Thank you to the technical staff for sorting that out before this meeting ends. I wish everyone happy holidays.

I want to turn to the way we get ourselves around, cars or more forward-looking electric vehicles. Advocating for cleaner transport solutions and infrastructure for the residents of Brampton is important, not only for me, but for my children and future generations. I know the federal government is working hard to provide Canadians with more options and cleaner choices for their transportation needs.

The transportation sector accounts for one quarter of Canada's greenhouse gases, which is why it's important for Canada to set ambitious targets. It's just as important that we continue to invest in

EV charging station infrastructure. Here in the Region of Peel, the federal government is investing in 43 new electric vehicle charging stations, and many of my constituents in Brampton East are very excited to use these chargers.

I see in the mains that there are two EV programs, the electric vehicle and alternative fuel infrastructure program and the zero emissions vehicle infrastructure program.

Minister, how will these programs help make charging infrastructure more accessible for Canadians?

**Hon. Seamus O'Regan:** The fall economic statement pledged \$150 million for expanding that network coast to coast, and that's building on more than \$300 million that's been committed to create that network of fast chargers for electric vehicles as well as street charging, charging in the Parliament buildings, retail businesses and in other workplaces.

Over 380 fast chargers are already open to the public. There are many more under construction. I think this network is essential for Canada to achieve its targets of zero-emission vehicles. I think 100% of all vehicle sales by 2040.... That's what we're aiming for, and our government is making zero-emission vehicles more affordable by providing incentives for Canadians to purchase the vehicles and a tax allowance when these vehicles are purchased for business use. We're seeing them used now in the mining industry. This is how we get to net zero by 2050.

● (1345)

**Mr. Maninder Sidhu:** Minister, thank you for that answer. It's very important. We want to make sure that Canadians have that option should they choose to invest in an EV. Across the country we want to make sure that communities are connected.

Minister, I know a lot of these programs are in partnership with the cities, municipalities or regional conservation authorities such as it is here in Peel. How's the uptake with our regional partners or at the municipal level?

**Hon. Seamus O'Regan:** At the municipal level and at the provincial level we've seen a great deal of enthusiasm. I don't think that's a surprise to you. I think most MPs of all stripes in the House of Commons have commented to me that these are things that are very popular with their constituents.

I think that we have some way to go, because we've got to get the word out on range anxiety primarily. This is a big country. For a lot of us in our constituencies, communities are far apart, and the idea of running out of juice is an anxiety for Canadians. We have to give them the assurance that's not going to happen. Fast chargers are a great way to do it, because people, if they're on the road and they've got a long trip, don't want to spend an hour to two hours of it sitting by a charger. Fast chargers are essential too in terms of time. These ways we get buy-in from people to buy EVs.

**The Vice-Chair (Mr. Greg McLean):** Thank you.

[Translation]

Now we go to Mr. Simard for six minutes.

**Mr. Mario Simard (Jonquière, BQ):** Thank you, Mr. Chair.

I'd like to take a moment, Mr. O'Regan, to offer my condolences on your father's passing.

What amazes me about your presentation is your attempt to marry two concepts that don't go together. On the one hand, you talk about clean technologies and carbon reduction, and on the other, you say that economic recovery will come through natural resources. The most important part of your speech was specifically about hydrocarbons.

I don't know if you are aware of this, but for the past few weeks, we have been studying the potential of the forest industry as likely the most promising natural resource sector to combat climate change.

I will give you a very simple example. I got some numbers, and I chose a four-year reference period. From 2017 to 2020, Canada will have invested \$24 billion to support the oil and gas sector. Of that \$24 billion, \$17 billion went to buying a pipeline.

If I look at the forest industry over the same period, Canada will have invested \$952 million. When I break down that \$952 million, I see that 75% of that is loans. In my opinion, that means no effort is being made to support the forest industry. Thanks to a number of witnesses, we've seen all the potential of the bioindustry and the use of biomass. I see no plans along those lines. I see no intentions along those lines in the government's recovery plan.

Can you reassure me? I'd like to know where you stand on support for the forest industry.

[English]

**Hon. Seamus O'Regan:** Okay.

[Translation]

Quebec's forest sector stakeholders will receive significant support this week. They will receive \$12 million to combat spruce budworm infestations in Quebec. We recently launched a call for proposals under the investments in forest industry transformation program, or IFIT, and as a result, we received 70 submissions from across Canada representing more than \$2.3 billion in potential investments.

Since 2015, the IFIT program has funded 15 different innovative projects throughout the Quebec industry: for example, the Uniboard particleboard plant in Val-d'Or received \$4.9 million to install a

new dryer and improve the production line; we have supported the Resolute Forest Products plant; and we want to invest in producing biomaterials from diversified sources and in manufacturing cellulose filaments—

• (1350)

**Mr. Mario Simard:** Yes.

I've gone through all of that, Mr. O'Regan. I have all those items in front of me. What bothers me is that it's a drop in the bucket. The investments you're making to support the forest industry are a drop in the bucket compared to what you're doing for the oil industry. Clearly, you have a double standard. The transition that the forest industry went through with the decline of the pulp and paper business is what I believe the oil and gas industry is going through right now.

Unfortunately, when that transition was taking place, the federal government offered no support. I don't understand your persistence, if you are being serious. I think of Bill C-12 that you tabled, on transparency and accountability and achieving carbon neutrality. I don't know why you're so focused on supporting the oil industry when the forest industry could lead you in another direction.

Worse, I hear rumours that you will probably have a grey hydrogen strategy. Making one tonne of hydrogen from hydrocarbons is like sending 10 tonnes of carbon dioxide into the atmosphere. You can do the same thing using biomass and electrical energy without producing as much greenhouse gas.

I don't understand this strategy. Obviously, you can't marry the two. Either you're not serious about your environmental commitments or you have an idyllic vision of what the oil and gas industry can do.

[English]

**Hon. Seamus O'Regan:** Mario, for technical reasons and because you asked a very straightforward question, I want to give you a straightforward answer. So pardon my English on this.

I think I have an extraordinarily realistic view. I pride myself on that, actually. I think the people who grow up on a rock in the middle of the Atlantic, or grow up as I have in the north, in Labrador, have no choice but to have a very realistic view of the world.

We are the fourth-biggest producer of oil in the world. We are the fourth-biggest producer of natural gas in the world. We have found a way to figure out how to get oil out of sand. That is a remarkable thing. What I have said time and again is that we need that same ingenuity, which has made us the fourth-biggest producer of oil in the world, to lower our emissions. That has now become a crucial thing. Not only [*Technical difficulty—Editor*] during the pandemic, but also because we have an incoming administration in the United States that is also the number one customer of our number one export. It is changing its priorities. It is changing the [*Technical difficulty—Editor*] of what we produce and how we produce it. This is essential stuff.

Having said that, Natural Resources is a big department. That is not to take away anything from our forestry sector. I don't disagree with any of your points, frankly, on how important forestry will be in our recovery, how important it will be in a net-zero economy. I am proud of the expertise within my department that has demonstrated time and again, in working with provinces, some incredibly innovative things that we can be doing with provinces on forestry, with the companies on forestry, and increasingly with indigenous peoples on forestry.

It is not a zero-sum game. I cannot take away from the importance of oil and gas as well.

**The Vice-Chair (Mr. Greg McLean):** Thank you.

We turn now to Richard Cannings, MP. We'll hold you to six minutes of questions, please, Richard.

**Mr. Richard Cannings (South Okanagan—West Kootenay, NDP):** Thank you again, Minister, for being here with us today, I assume from Newfoundland, the home of my ancestors. It's good to see you on the Rock.

I'm going to start again with the oil and gas sector. We just had the Canada Energy Regulator, CER, put out a report a couple of weeks ago on "Canada's Energy Future 2020". The authors included what they call the "evolving scenario", which is assuming some action towards the fight against climate change. That evolving scenario wasn't going to get us to net zero. At least there was a recognition by the CER that that's the kind of thing we're going to be doing.

Under that scenario, they showed the difference between our ability to...the pipeline supply we had, the pipeline volume and what we would be exporting. What is showed was that we have three expansion pipelines in various stages of building right now. We've been talking about Keystone XL; there's Trans Mountain expansion and there's Line 3 expansion. All these pipelines exist right now, but they're going to be greatly enlarged to take expanded production from the oil sands.

What this scenario from the CER report showed was that we will only need one of those expanded pipelines to handle the expanded production from the oil sands. In fact, if we wanted to get to net zero, we might not need any of them.

I'm just wondering what the department has projected would be in those pipelines. Are we going to have three pipelines with only one-third capacity being used? Are we going to have one that's being used and the other two won't be needed?

I'm just wondering what your plans are for that future, because that's where we're headed. It seems like I keep getting very conflicting statements from this government about the importance of fighting climate change and the doubling down on the fossil fuel industry.

• (1355)

**Hon. Seamus O'Regan:** I would say, Mr. Cannings, it's not so much a doubling down on the fossil fuel industry as an appreciation of its importance and also the importance of lowering emissions. This is not only because lowering emissions is the right and proper thing to do, but also because it will put us at a significant competitive advantage.

On pipelines, particularly in the PBO report, there are a lot of factors that go into determining whether a pipeline is necessary: contractual support, shipper choice, the nature of markets that will receive the products that we deliver by the pipeline. The PBO report notes that the profitability depends on a lot of factors such as whether or not there's a delay.

Ian Anderson of TMX has confirmed that the project is on time and it's on budget. He said that just recently. Even as Canada continues to tackle that more aggressive climate action, the world is not going to stop using oil overnight. I know that from the many international energy agency meetings that I attend.

**Mr. Richard Cannings:** I'll just jump in here and say that I agree that the world is not going to stop using oil. It's just not going to need any more oil, according to this report from the Canada Energy Regulator, which has not historically been biased against the oil and gas industry—quite the opposite.

In a world where we see Total writing down \$8 billion of investments in the oil sands, Imperial writing down \$1 billion and other countries around the world.... This flight of investment from the oil and gas sector is not limited to Canada. It's happening all over the world. It's happening in the United States. It's happening because people are looking at that future.

Again, yes, we'll be using oil—and I have great respect for the industry and for the people who work in it—but what oil will be in those pipelines? Right now, they're full, but all the projections show very little expansion happening in the next 30 years. In fact, the evolving scenario shows a drop of need over the next 30 years.

**Hon. Seamus O'Regan:** First of all, Mr. Cannings, I would say that there are a lot of reports, and many of them are conflicting. This is an incredible time of flux, I would argue, for the energy market all over the world.

It is never a bad thing—and I'm thinking particularly of TMX—to make sure that we diversify our customer base. With most of our energy exports going to the United States, particularly for Alberta and Saskatchewan, we need to open up more international markets. For TMX, 13 shippers have made approximately 15- to 20-year commitments, accounting for about 80% of the capacity on the expanded TMX, so the demand is there. It has been contracted out. TMX is meant to get our oil to markets, and in exchange, we get a higher price for the same resource.

We intend, as we have said, to sell it back to the private sector and to put those funds towards a green future. What we're witnessing right now is an energy sector in a tremendous state of flux. Therefore, we have to be very nimble in order to look after our workers and our economy while at the same time showing that we can lead on lowering emissions. I know, at first blush, that it seems like these are very contradictory things, and I would make the argument—and I'm sure I'll make it again during this committee—that they are not. It is essential that we get that balance right.

**The Vice-Chair (Mr. Greg McLean):** Thank you, Minister.

You're pretty much out of time here, Mr. Cannings. Thank you.

For the next round of questions, we will move to MP Rachael Harder.

**Ms. Rachael Harder (Lethbridge, CPC):** Minister, thank you for taking the time to be with us here today.

Minister, I'm just wondering if being a construction worker is a good middle-class job.

• (1400)

**Hon. Seamus O'Regan:** Indeed.

**Ms. Rachael Harder:** Awesome. What about an engineer?

**Hon. Seamus O'Regan:** Indeed.

**Ms. Rachael Harder:** How about an offshore pipeline inspector?

**Hon. Seamus O'Regan:** Definitely.

**Ms. Rachael Harder:** An offshore drilling rig mechanic?

**Hon. Seamus O'Regan:** Definitely.

**Ms. Rachael Harder:** An offshore technician?

**Hon. Seamus O'Regan:** Definitely.

Where is this going?

**Ms. Rachael Harder:** A service technician?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** An underwater welder?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** A field adviser?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** An environmental consultant?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** An administrator?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** A truck driver?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** A laboratory analyst?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** A field adviser?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** Excellent.

Minister, I've outlined just a few of the tens of thousands of jobs that are provided within the oil and gas sector, that are provided within the development of our energy sector.

In the mandate letter that the Prime Minister wrote to you, he said that it is your responsibility as the minister to “create good middle class jobs”.

Can you tell me if you are doing everything in your power—and it's a simple yes or no—to “create good middle class jobs” in the energy sector?

**Hon. Seamus O'Regan:** Yes.

**Ms. Rachael Harder:** When I look at the work that you folks are doing in terms of actually shutting down the energy sector, imposing a carbon tax, imposing a clean fuel standard, I would argue otherwise. Actually, to your own admission, you said that the job loss that we've seen over the last number of months, even the last few years, is, to quote you, “considerable”, which means that it would appear that you're not doing everything in your power to protect these good, middle-class jobs and to create new ones, which is exactly what your mandate letter says that you're supposed to be doing.

Are there tangible steps that you've taken within the last few months in your role as the minister to make sure that Keystone XL gets into the ground—other than your initial phone call?

**Hon. Seamus O'Regan:** Well, I would take a second, as you referred to my mandate letter, to talk about our record.

With regard to TMX, we got it approved; we'll get it built. That's 7,000 jobs created so far. The Line 3 pipeline—

**Ms. Rachael Harder:** Minister, I'm just asking for tangible things you've done—

**Hon. Seamus O'Regan:** I'm speaking.

**The Vice-Chair (Mr. Greg McLean):** We match time at this committee, so when there's a question lasting a certain amount of time, the answer will last the same amount of time, please.

Go ahead, Minister.

**Hon. Seamus O'Regan:** We got TMX approved. We'll get it built. It's 7,000 jobs. Line 3 pipeline—we approved it. It's 7,000 jobs. Our support for Keystone XL is unwavering. It's 1,500 jobs created so far. We approved NOVA Gas 2021. That's thousands of jobs to be created. LNG Canada—we are building it. That's thousands of jobs. Orphan and inactive wells are \$1.7 billion and thousands of jobs to be created. With the wage subsidy, more than 500,000 workers were kept in their jobs in a pandemic in Alberta alone.

That's our record.

**Ms. Rachael Harder:** Minister, a subsidy is not a job. In your opening comments, you said that, most importantly, we must support our workers.

If you want to support workers, you have to create jobs. If you want to create jobs, you have to allow energy projects to go forward.

**Hon. Seamus O'Regan:** Perhaps—

**Ms. Rachael Harder:** Under the current government, that has not happened.

Minister, the floor is still mine. Thank you.

This phrase “to create good middle-class jobs” is interesting to me. What is insinuated is that the opposite exists and that somehow there are bad middle-class jobs. Can you give me an example of a bad middle-class job?

**Hon. Seamus O'Regan:** Mr. Chair, I don't think the member heard me when I cited the jobs that we have created by doing things that the government previous to us was unable to do.

We got TMX approved. We'll get it built. We approved the Line 3 pipeline. Our support for Keystone XL is unwavering. We approved NOVA Gas. We are building LNG. Orphan and inactive wells.... These are big jobs. They are important jobs. They are good middle-class jobs.

We're getting it done, Mr. Chair.

**Ms. Rachael Harder:** It's interesting to me, again, that your government feels the need to distinguish between a good middle-class job and a not so good middle-class job.

It's so ignorant to classify jobs as if there are good jobs and bad jobs. It's up the Prime Minister and, I guess, you under your mandate letter to determine which is which. It's rich.

In Atlantic Canada, the Liberal energy ministers in Newfoundland and Nova Scotia sent you a joint letter with regard to the clean fuel standard, talking about the damage this is going to cause their economy and the impact it is going to have on Atlantic Canada. Have you responded to that letter?

**Hon. Seamus O'Regan:** First of all, I would just like to address the fact that somehow or another I am distinguishing between good and not good middle-class jobs. That's certainly not how I would distinguish it at all.

I would remind the member, Mr. Chair, that I live in an oil and gas-producing jurisdiction. In fact, the province of Newfoundland and Labrador relies more on the royalties from oil and gas than Al-

berta does. This is a priority for my neighbours, my family and my friends—

• (1405)

**The Vice-Chair (Mr. Greg McLean):** Minister, could you wrap up your comments in the next 10 seconds or so, please?

**Hon. Seamus O'Regan:** I'm finished.

Thank you, Mr. Chair.

**Ms. Rachael Harder:** You haven't responded to the ministers?

**The Vice-Chair (Mr. Greg McLean):** I'm sorry, that's the end of your questioning, Ms. Harder.

We'll move now to the next questioner for five minutes.

MP Patrick Weiler, please.

**Mr. Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.):** Thank you, Mr. Chair.

Good afternoon, Minister. Thank you for joining our committee today.

There are so many important measures in the announcement from today in “A healthy environment and a healthy economy” that I would like to look at in more detail in this committee.

Today, the matter at hand is the supplementary estimates and the important work that's being done to support our natural resources sector, as well as the work we're doing to support the economy that we're moving towards.

With that in mind, clean technology is an emerging sector and an area of opportunity for Canada. It's estimated that it is a \$2.6-trillion economic sector globally, right now. Of course, it features very prominently in our announcement from today, as it should.

We need more firms that are active in clean technology to ensure that we have a wealth of technologies that will help us reach our net-zero targets. I know, because I have many in my riding. They are global leaders in direct air capture, carbon engineering and in green building technology, like Nexii Building Solutions. They have very innovative tools to get us there.

I see in the main estimates that we have set aside nearly \$50 million for clean technology challenges. What are these challenges? What potential comes out of funding challenges like these?

**Hon. Seamus O'Regan:** The Impact Canada challenges are great examples of using innovation that you find in the marketplace to find those solutions. You've got the Sky's the Limit Challenge, trying to find less-emitting jet fuels, which is hugely important. The Women in Cleantech Challenge is financing some great research from six women innovators to lower emissions in industrial activities. The Charging the Future Challenge on EVs, the Indigenous Off-diesel Initiative for remote indigenous communities, the Crush It! Challenge in reducing energy use in emissions, grinding minerals in mining, and the Power Forward Challenge, which is in partnership with the U.K. to design better power grids.

Yes, they're a bit of fun, but they're also incredibly important to focus our energy and our talent. We want Canada to be a world leader, I would like to be ambitious and say the world leader in clean innovation. We promised to cut the corporate tax rate in half for companies in this space. We're also looking to transform how we provide energy in a low-carbon economy in our communities by shifting to clean power. We're supporting manufacturing and the natural gas and energy sector.

I remember standing at Globe, the biggest clean tech conference in North America. I'm sure Patrick, as a member, has attended Globe in Vancouver. You were reminded when you went there as well. Back to the other member's point about how you balance all these things; 70% to 80% of clean tech in this country is funded by oil and gas. We're talking about a billion dollars a year. We can't get to net zero without the oil and gas industry, in the same way in the inverse the oil and gas industry needs net zero to continue to grow and prosper. That's two sides of the same coin.

This is not easy stuff and it doesn't make for a bumper sticker.

But when you are an energy country like we are, you have got to get it right. You absolutely have to. The world is watching us on this. And clean tech, given the fact that we have the most educated populace in the OECD, and given how vibrant our tech sector is in this country from coast to coast to coast, I think you'll see in smaller jurisdictions in cities like mine where Verafin has one of the biggest tech acquisitions in Canadian history, you are going to see tech in this country, and clean tech particularly, just blossom and grow.

As a government, we need to make sure we maximize that. Those are energy jobs, natural resource jobs. It's these sorts of things that will continue to keep Canada an energy superpower.

**Mr. Patrick Weiler:** Thank you, Minister.

That leads to my next question, because in your opening remarks you made an interesting note, that to get to net zero we need our resource sector, particularly oil and gas. It would be a massive understatement to say that the investment climate is starting to pay more attention to climate action.

In the supplementary (B)s, you are seeking \$160 million for the new emissions reduction fund.

I was hoping you could share why this fund is so critical to the oil and gas sector, how it will lead to longer-term economic benefits for the sector by making us more competitive as the world continues to move to take more ambitious climate action.

● (1410)

**Hon. Seamus O'Regan:** I will expand on that story I was telling you earlier.

It was interesting being at Globe and taking the position in front of the clean-tech sector that the only way we would reach net zero is with Alberta, Saskatchewan and Newfoundland and Labrador. We cannot reach you without the oil and gas sector in this country. It's too big and too important.

**The Vice-Chair (Mr. Greg McLean):** Could you wrap up quickly, please?

**Hon. Seamus O'Regan:** It is the driver in this country for our economy.

Very quickly, understanding that, making sure that we make investments in the oil and gas sector to lower emissions is absolutely essential to the economic competitiveness of Canada.

**The Vice-Chair (Mr. Greg McLean):** Thank you, Minister.

[*Translation*]

We will move on to the next member, Mr. Mario Simard.

You have two and a half minutes.

**Mr. Mario Simard:** Thank you very much, Mr. Chair.

I know you are in somewhat of an awkward position, Mr. O'Regan, since my criticism of you may be a long way from that of my Conservative colleagues. I'm sure you don't want to shut down the energy sector, although I will be critical of you in that regard, because I feel you may be supporting it a little too much.

I wanted to come back to the hydrogen issue. We know that you intend to announce a plan for hydrogen. I wanted to know when you plan to announce it.

Will a significant share be for green hydrogen, that is, hydrogen made from hydroelectricity or from biomass?

**Hon. Seamus O'Regan:** Thank you, Mr. Simard.

[*English*]

When it comes to hydrogen, we are impatient. I've said that I want to have it out by the end of the year, so I will stay firm on that. We think there's incredible potential for hydrogen. Hydrogen plays well right across the country. Different parts of the country have different assets that can be used in a national hydrogen strategy. I'm not going to scoop myself, but these are things that are fairly evident.

In Alberta, Saskatchewan and Newfoundland and Labrador, you have incredible natural gas resources. You have incredible hydroelectric resources in Manitoba, British Columbia and Quebec. All of these can be used, whether it be for blue hydrogen or whether it be for green hydrogen. Green hydrogen, as it is right now, which hydroelectricity in Quebec would be perfectly suited to, is more expensive right now to produce, but part of that strategy will be looking at ways to lessen that, because the world is increasingly demanding green hydrogen.

It will be demanding hydrogen, but the premium product will be green hydrogen. We're seeing massive investments in Europe, and it will figure both as a competitor but also as a significant customer for Canadian hydrogen.

I hope that I will have that before you very soon.

**The Vice-Chair (Mr. Greg McLean):** Mr. Simard, we're out of time.

[Translation]

**Mr. Mario Simard:** Do I have a few moments left, Mr. Chair?

[English]

**The Vice-Chair (Mr. Greg McLean):** I'm sorry, but we're out of time. I'm going to move to the next questioner.

Mr. Cannings, you have the floor for two and a half minutes.

**Mr. Richard Cannings:** Thank you, Mr. Chair.

I'm going to move to the topic of retrofits. Obviously, energy efficiency will be needed in a big way if we're going to get to net zero. We simply can't create all the energy that we need for what we will be using without it. I was somewhat happy to see in the fall economic statement, and expanded today in the climate plan that just came out, an announcement around retrofit grants for Canadian homeowners. It basically brings up the Harper-era ecoENERGY retrofit program.

I had a private member's bill in the last Parliament to bring that back, so I can't criticize it from that sense, but in this day and age, 10 years after the Harper government introduced it, we need something bolder. Efficiency Canada had a 2020 budget request for 10 times that amount for energy retrofits in buildings across Canada. That is clearly what we need, not just to get to the energy efficiency that we need, but to create those good middle-class jobs that Ms. Harder was talking about, across the country. Efficiency Canada calculates we could create one million jobs in energy efficiency alone if we just lived up to our pledges in the pan-Canadian framework.

Could you outline if you have that 10-time vision in the near future, because this is nice, but it's only one-tenth of what we need?

• (1415)

**Hon. Seamus O'Regan:** I have become a convert of energy efficiency, Mr. Cannings, partially through your efforts, but definitely just by the facts.

The International Energy Agency calls energy efficiency the hidden fuel. If we were to get it right, it would allow us to meet about 30% of our Paris accord commitments. What I really like about retrofits, as a guy who grew up in Happy Valley-Goose Bay, Labrador, is that no matter where you live in this country, this program will affect you. It will actually physically affect the home in which you live.

It's not one of these programs that will affect that crowd over there, that province or that region. Growing up, you'd hear about ambitious government programs, perhaps, but they never seemed to affect your community. Retrofits would affect both commercial and residential buildings. They affect the communities, and they affect people living in those communities.

We are going to continue to work on an ambitious program in this space. We're making a significant down payment both in the fall economic statement and in our climate plan. We're going to keep pushing on this because it is effective, and it hits all Canadians.

**The Vice-Chair (Mr. Greg McLean):** Thanks, Minister.

We're moving now to round three, starting with MP Bob Zimmer.

Mr. Zimmer.

**Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC):** Thank you, Minister, for coming today. I appreciate that.

Again, our condolences to you especially on losing your dad. My dad means a lot to me and I know how much your dad meant to you.

**Hon. Seamus O'Regan:** Thank you.

**Mr. Bob Zimmer:** I want to start off by asking some key questions about the standards for Canada's exploration industry. We've often seen even bus placards in Ottawa that say, "The world needs more Canada." I guess that's why I'm a little troubled.

I know you've spoken positively about the resource sector here, but I'm really puzzled about why the clean fuel standard, even in articles that are just printed today, mentions refinery shutdowns. Shutdowns are not a new phenomenon in Canada, but this CFS is going to basically cause some of these refineries that we have in our country to shut down.

Why would we make a policy such as that, especially at a time, during COVID, when we're trying to keep every Canadian job we can and even expand those jobs? Why would we be shutting those refineries down at a time such as this?

**Hon. Seamus O'Regan:** We actually think we will be gaining jobs in the clean fuel standard almost immediately from the farming community, from farmers, but also, importantly, for our future competitiveness. The fact is, talking to people who are on the ground in Washington, we know that one of the biggest and most effective lobbies in Washington is the farmers' lobby. As we understand it, they are lobbying the incoming administration very hard on an American clean fuel standard.

When one of your biggest competitors and biggest customers is starting to head in that direction, when the European Union, South Korea, Japan and so many other countries that we are allied with, both as people who provide us and people who we provide, are heading in that direction, it's simply a matter of, okay, on what terms do we do that? How do we make sure that this is a made-in-Canada solution and how do we remain competitive globally?

That is the direction we're seeing investors going in as well. They're putting their money into jurisdictions that are taking action on this. We think the clean fuel standard is a really important part of that plan to reduce emissions and accelerate the use of clean fuels.

**Mr. Bob Zimmer:** Minister, I appreciate that. Maybe there's a disconnect between you as minister and who our Prime Minister is today. We're seeing quotes about the clean fuel standard. We already heard the announcement this morning of the potential increases in cost to Canadians, where it even adds gaseous fuels into the capture.

In northern B.C., and I'm sure it's the same in Newfoundland, heating is not an option for us in our homes. Therefore, to me, when we see a tax that gets applied to folks just to simply keep warm in the winter, there's something wrong. Plus, not to have a full understanding of the potential positive impacts to the environment by getting our natural gas to places in Asia to reduce their emissions doesn't seem right. Why wouldn't we be promoting the best production standards, the best exploration standards and the best human rights standards in the world, and that's Canada? We should be selling more of our resources, not less.

I'll mention a quote. This is from the same Financial Post article that I mentioned before.

There is a wide range of estimates on how the CFS will affect gasoline and diesel prices, with some estimates as low as 2 cents per litre for fuel all the way up to 15 cents per litre.

"If it's not done right, we're going to lose existing infrastructure," Laracque said, adding that could include refinery closures in Canada. "If we're not doing this right, we miss a huge opportunity for existing infrastructure, which will increase the cost of compliance."

To me, this goes back to what we were saying. Even the Green Party has said before that we need more refining capacity in Canada. Rather than sending the raw product somewhere else to get refined, we should be doing that here.

Again, why would we be doing something that puts our refining capacity in Canada at risk?

• (1420)

**Hon. Seamus O'Regan:** Mr. Zimmer, using cleaner fuels in our buildings and our vehicles and industries is one of the best ways we can reduce emissions. It will cut pollution by up to 30 million tonnes by 2030, which is the equivalent of taking seven million cars off the road. It's going to create opportunities for farmers and companies that are going to be producing renewable fuels. It will encourage investments in energy efficiency—

**Mr. Bob Zimmer:** Minister, I appreciate your opinion on this. I think it's awfully shortsighted of the Liberal government, though, when we see our global impact, how much of a positive impact we can have in reduction of emissions in Asia and other places around the world. We're just looking at our small country of 36 million Canadians, and yes, it's significant in terms of our carbon dioxide emissions, but when you see the reductions that we can make by getting natural gas to very highly populated areas across—

**The Vice-Chair (Mr. Greg McLean):** Be quick here, please, Mr. Zimmer.

**Mr. Bob Zimmer:** Why wouldn't we do that and accelerate that process? I just don't get it. I don't think the government understands that. Why would we be reducing our capacity to reduce emissions around the globe?

That's something I wish you could make our Prime Minister understand, because I don't think he understands it now.

**Hon. Seamus O'Regan:** To very quickly answer the question, the biggest example would be LNG Canada, the biggest private-sector investment in Canadian history, whereby we will be doing exactly that—making some of the cleanest liquefied natural gas in the world for export to Asia.

We are looking at other projects in British Columbia, particularly given its proximity to Asia. We're also looking at the proximity, here on the east coast here in Newfoundland and Labrador with our natural gas reserves, to the European marketplace. So certainly we have not.... That is something, frankly, that if you look at LNG Canada, you'll see we've been very aggressive on.

**The Vice-Chair (Mr. Greg McLean):** Thank you.

The next round of questions will go to split time for five minutes between MPs Yvonne Jones and Maninder Sidhu.

**Ms. Yvonne Jones (Labrador, Lib.):** Thank you very much, Minister, for being with us today, and thank you for the great work that you've been doing throughout COVID. Again, like other members of the committee, I want to certainly express my condolences to you and your family in what has been a very difficult time in recent weeks.

My question, obviously, is about the oil and gas industry in Newfoundland and Labrador. I would just note that I speak to you today from your old hometown of Happy Valley-Goose Bay, by the way. Obviously, the oil and gas industry is fundamental to the economic growth of Newfoundland and Labrador. I know you have a tremendous amount of pride in what the industry has accomplished in this province.

Can you update us today on what the response program from the federal government has been to assist so many people in the industry in our province through what has been a very difficult time because of COVID-19?

• (1425)

**Hon. Seamus O'Regan:** As the member knows, because we talked an awful lot about this with Newfoundland and Labrador MPs, and as I mentioned to our colleague earlier, Newfoundland and Labrador depends more on oil and gas than even Alberta or Saskatchewan does. When we were hit with the two crises, we were hit extremely hard in this province as well and we had to look very carefully at a solution for the offshore.

There are a few things I should make note of that Newfoundland and Labrador's offshore product has going for it. First of all, it's in tidewater, which is why it's traded at Brent prices. As we now know, we've always said it's a sweet light crude, but we didn't really appreciate what that meant. It means these are some of the lowest-emitting barrels of oil in the world. That is a huge competitive advantage in a changing marketplace.

So when Premier Kenney said that he wanted to see the last barrel of oil sold in the world to be Canadian, I agree with him. It means that we have to meet those standards and that each barrel has to be the lowest emitting that we can find, and the market will dictate that.

What we've done in this province, a year and a half ago through the Atlantic Accord, was to have \$2.5 million in new money for the province as the principal beneficiary of its offshore. Then since this pandemic, there's been close to \$400 million to support workers, to lower emissions and to make the industry here more competitive.

We worked with the province very closely on that, so what they have done is brought together a task force of union leadership, of industry leadership and of government sitting together to determine where they will put the \$320 million that we have given on top of \$75 million that we gave in order to reduce emissions.

It is a considerable chunk of change, and just earlier we announced \$41 million that's going toward the West White Rose Project to keep that in place and to make sure that those workers have good work. It was matched by the private sector.

That's what happens when you listen to people locally on the ground and you listen to those people who know. I am very proud of our offshore oil and gas workers here in this province. The president of ExxonMobil Canada, which is headquartered here in St. John's, said that there is no more hazardous environment that his people operate—his company operates—in in the world than Newfoundland's offshore. It is not easy out there. It takes guts and it takes pride, and we want to stand by these people.

**The Vice-Chair (Mr. Greg McLean):** Mr. Sidhu, please be very quick. You have about a minute.

**Mr. Maninder Sidhu:** Minister, I see throughout the main estimates and the supplementary estimates (B) many items relating to indigenous engagement with items relating to TMX accommodations, measures on capacity building for communities, as well as for consultations on major projects. We have seen what happens when we get indigenous consultation wrong and major projects don't get built.

Can you share your thoughts on the importance of funding for these areas and share some of the work you are doing to ensure that we are meaningfully consulting in the right way on major projects?

**Hon. Seamus O'Regan:** When I moved to Labrador as a young boy, the first people who I was introduced to were the Innu leadership in Labrador, who had names that would be familiar to Ms. Jones, Bart Jack, Ben Michel, Daniel Ashini, who were the leadership at the time and good guys. It is something that sticks with you, seeing the state of the neighbouring community, the Innu community of Sheshatsiu, compared to where I lived in Happy Valley-Goose Bay, when you're 13 years old that stays with you.

I worked in university and in my academic career studying indigenous participation in natural resource projects, because I saw at a very early age that—

**The Vice-Chair (Mr. Greg McLean):** Quickly, please, Minister.

**Hon. Seamus O'Regan:** —economic development was key. Maybe I'll talk about this a little more later.

All that to say is that this is something that is very close to my heart. I have operated at two different tables in Labrador negotiating and working on impact and benefit agreements and what we have managed to do with TMX is a playbook for how we move in the future.

**Mr. Bryan May:** If I might jump in, Mr. Chair. I just want to be conscious of the time—

**The Vice-Chair (Mr. Greg McLean):** We are going to continue here. I think it's my round here as long as that's okay with the minister. He said he'd stay for an hour. We're not there yet.

**Hon. Seamus O'Regan:** Right, indeed.

**Mr. Bryan May:** We're not? I beg your pardon, Mr. Chair. I thought we were getting close to that hour.

**The Vice-Chair (Mr. Greg McLean):** We are getting close to the hour.

If I can start, Minister—and I'm usually peppier with my questions—the first thing I'll go to is the Canadian Energy Regulator, because they are asking for an extra \$21 million in the supplementary estimates, and yet they came out with a report. Somehow they didn't have the money to produce a report that it is, in my opinion, beyond its own purview at this point in time. Yet, they came through with a report saying there was a limit to where Canadians...but we were still going to grow in oil and gas.

The tough part about that is how do we justify, number one, first of all, \$22 million extra for the organization?

• (1430)

**Hon. Seamus O'Regan:** Why don't I take this question and ask my deputy minister, Jean-François Tremblay, to answer?

Jean-François.

**Mr. Jean-François Tremblay (Deputy Minister, Department of Natural Resources):** Actually, for the CER, if you look at the mains, for example, the funding that is provided is actually lower than last year. There was a bit more in the funding at [*Inaudible-Editor*] but just to stabilize the organization's operations and improvement, especially now that they will have to take a bigger role in the context of the—

**The Vice-Chair (Mr. Greg McLean):** Okay. We'll ask the question again in a second, please. I've still got more questions for the minister.

**Mr. Jean-François Tremblay:** Okay.

**The Vice-Chair (Mr. Greg McLean):** Secondly, you talked here in your remarks about the United States having the “most sweeping environmentalist administration the United States has ever seen”, with this administration, and yet they have no carbon tax. They have no clean fuel standard. They have a 45Q allowing carbon capture, utilization and storage, natural gas proliferation in production, and oil almost doubled in the last decade.

How do you square it that this is a trade partner we're going to have to be competitive with and yet we layer significant costs into our industry in Canada?

**Hon. Seamus O'Regan:** Mr. Chair, I would say that they are not in office yet, so the policies that they're espousing and the commitments that this incoming president has made are obviously not enacted. Not to get into the minutiae of it all, but we don't know how things will go in Georgia. There could be a considerable conflict, I think, on this between Congress and the White House, but we're listening to people on the ground.

Again, the governments of Alberta and Canada are working hand-in-glove in D.C. through our embassy and through Mr. Rajotte to get a clear view of where we see things going. I often quote Gretzky, who said, you've got to skate to where the puck is going—

**The Vice-Chair (Mr. Greg McLean):** Yes, so are you saying we're going to stay far ahead of their environmental plans in order to keep our industry up?

Minister, on the clean fuel standard, which it leads to—

**Hon. Seamus O'Regan:** No, I think what you're describing is the way things are now but not where they could be very soon. That's what we have to anticipate.

**The Vice-Chair (Mr. Greg McLean):** Well, okay, “could be”, but you take a clean fuel standard and what it means. You've met with these same groups that I have in the energy industry and other industries: 90% of them say it will lead to carbon leakage because they're moving their jobs offshore. How do you justify that with a trade partner that we're supposed to be on par with?

**Hon. Seamus O'Regan:** As I said, we know very well that the farm lobby is hitting this administration and that others are hitting this administration to talk about a clean fuel standard. One thing we would like to be able to do is to be clear-eyed about where the administration is going to align itself, to make sure that we are aligned so that it is a level playing field. We do not want to hinder our companies, either, if this administration looks at us and says, “You could do a lot more.”

One thing I have learned, even during NAFTA-plus, is that the trade representatives from the United States are extremely aggressive. They have been aggressive in going one way. They can quickly turn and go aggressively in another way, demanding a lot more from our governments and from our industry on lowering emissions, and we have to prepare ourselves for that.

**The Vice-Chair (Mr. Greg McLean):** Yes, thank you, Minister.

One thing you talked about here, of course, was the farm lobby; you just came up with it here. The farm lobby in the States is a lobby that lobbies for its own economic benefit, like so many of the industries that lobby the governments in Canada and the U.S. Now obviously, that lobbying is happening in Canada, too.

Biofuels in particular is about the only group you and I have met with, probably jointly, that says, “Yes, long term we might bring jobs back to Canada, but we're a net importer significantly of biofuels right now and will be for the foreseeable future”, as you can see from every U.S. piece that looks at this and says, “This is going to be a gold mine for American farmers for the next 10 years.”

How do you justify that in the context that biofuels themselves produce a lot of greenhouse gas in their full life cycle? It takes 1.6 units of energy to produce one unit of energy in the biofuels industry. Square the circle for me, please, Mr. Minister.

**Hon. Seamus O'Regan:** Ultimately it will lower emissions, and not only is it important that we do that domestically, but, I would make the argument, particularly when, as I said, our number one competitor and our number one customer is about to pivot in a very dramatic fashion. It is very important reputationally that we demonstrate to this administration that we are doing everything we possibly can to lower emissions. We do not want a reputational risk here, either. They need to know that we are—

• (1435)

**The Vice-Chair (Mr. Greg McLean):** Finish quickly, Minister.

**Hon. Seamus O'Regan:** —an incredible provider.

**The Vice-Chair (Mr. Greg McLean):** Thank you. That's the end of my round.

Next on the list is Mr. Weiler.

First, I have a point of order from Mr. May.

**Mr. Bryan May:** I mentioned this before your questions, but by my clock we're now well past an hour with the minister.

**The Vice-Chair (Mr. Greg McLean):** Yes, so Minister, we have to—

**Mr. Bryan May:** I'm not done, sir. The minister has been very gracious with his time today. He's now had an hour and 35 minutes with us. I know he has other priorities today. I'm just wondering if maybe you can share with us exactly, by your clock, how much time is left.

**The Vice-Chair (Mr. Greg McLean):** Yes, maybe I can do this with you, Mr. May, and I'll seek the minister's blessing on this first of all. Because I was the speaker in this round, I was going to give a speaking round to Mr. Weiler and then Mr. Cannings and Mr. Simard, if the minister's available.

Minister, would an extra 15 minutes suit your time today?

**Mr. Bryan May:** Excuse me, this isn't fair, Mr. Chair.

**The Vice-Chair (Mr. Greg McLean):** Actually, it's a polite question.

**Mr. Bryan May:** The minister was very gracious to extend the time to be here for an entire hour. We're well past that point. To put him on the spot to make this call now, I think, is not appropriate.

**The Vice-Chair (Mr. Greg McLean):** I appreciate his time and I appreciate your intervention here.

Minister, would you like to leave?

**Hon. Seamus O'Regan:** It's not a matter of liking to leave, Mr. Chair. It's, unfortunately, having to leave. Because of the technical delays, I've already kept a number of people waiting.

**The Vice-Chair (Mr. Greg McLean):** All right.

**Hon. Seamus O'Regan:** I am grateful. I think we did get our full hour. I'm grateful for the interventions that were made by the committee.

**The Vice-Chair (Mr. Greg McLean):** Thank you, Minister. It's much appreciated.

We will suspend the meeting while we get the new speakers up, and commence in three minutes.

• (1435)

(Pause)

• (1435)

**The Vice-Chair (Mr. Greg McLean):** For this round, again, we will start on the second round, the same way we started the last round. First of all, though, we'll have a statement from the deputy minister, if appropriate.

**Mr. Jean-François Tremblay:** I would go directly to the questions, if it's okay with you.

**The Vice-Chair (Mr. Greg McLean):** Mr. Zimmer.

**Mr. Bob Zimmer:** Thank you, Chair. I know our time is short. Just to be clear, Chair, we have, what, 24 minutes left in the committee?

**The Vice-Chair (Mr. Greg McLean):** You have six minutes here, Mr. Zimmer.

**Mr. Bob Zimmer:** Okay.

I had a question for the deputy minister. I asked the minister several questions about the clean fuel standard and the announcement this morning. We're getting an impression about what's going to happen to our resource sector in Canada, and it doesn't feel like a good one.

I'm up in northern B.C., in northern gas central, where we have some of the biggest gas plays in North America, if not the world. We've always held that if our natural gas makes its way around the world, we can actually reduce the current emissions that are out there, yet we have a current government that seems to just look at Canada and Canada's geographical footprint and seems to want to impede any kind of export of that clean fuel that we're trying to accomplish.

I know that a whole bunch of my constituents go to work every day in the cold and provide natural gas so that we stay warm in the winter. It seems that all this government understands is either to tax it more or to tax people's staying warm in the winter, because I guess for some reason this Liberal government thinks it's optional to stay warm in Canada, when it simply isn't.

Furthermore, on what I said before about shipping and our high standards, it's not only employment standards, but our exploration standards. To ship those around the world, I think is something that Canada needs to do more of, not less.

Let me just read a quote from the Financial Post article that I was quoting for the minister. This is on the clean fuel standard. Maybe you can explain and correct me if I'm wrong. The article says:

The standard will introduce a country-wide carbon credit trading scheme and include harsh per-tonne penalties. Going a step further, Canada will be the first jurisdiction in the world to extend its regulations to cover gaseous fuels, like propane or natural gas....

Maybe you can just explain—I hope I'm not right in this—that the good natural gas and natural resource jobs won't be impacted by this clean fuel standard.

• (1440)

**Mr. Jean-François Tremblay:** I would not announce the CFS and I would leave the Minister of Environment to do it when he chooses a time to do it, but to come back to your point on the clean fuel, you're right about the exports and the importance of the export of natural gas and also of energy for Canada. It's not just natural gas. It's oil. It's also other forms of energy, in which we have tremendous capacity and opportunities.

But the demand is changing. The world is looking at us and is looking at the natural gas, and they want to have the cleanest one, so the clean fuel standard is also an opportunity. If our industry doesn't transform, it's not going to get the market space that it wants to have. They won't get the market space that they had in the past and that they want to keep. We're going to need to transform the industry. I don't think you should take the fuel standard—

**Mr. Bob Zimmer:** Maybe help me understand this, then, Deputy Minister. It's my understanding that our Canadian standards are amongst the best in the world in terms of production. I know it first-hand. I've just been out to some natural gas sites north of my hometown here in Fort St. John. There's not a drop of anything that gets spilled that isn't documented, and not much is spilled, I can tell you.

We have some of the best standards in the world. Why would we set ourselves on a trajectory where we penalize ourselves when the impact of that natural gas, if it lands in a territory across the ocean in a place that has higher pollution than we do in Canada...? Why would we in some way impede that? That's the thing that I just can't understand.

**Mr. Jean-François Tremblay:** There are two aspects to it. The first one is that if you want to reduce the emissions, you have to go where the emissions are, and we have to recognize that the energy sector is where a significant amount of the emissions are, so it's important for us to act there. The second—

**Mr. Bob Zimmer:** In that calculation, then, do you look at the emissions where this product, the natural gas, is going to often go, which is to China to offset the use of thermal coal, etc.? Does that number get put into the equation?

**Mr. Jean-François Tremblay:** Going into that, that's an important one from the business perspective and from a Canadian perspective. Look at the NGTL. It's going to help, for example, some regions of the country to get out of coal. This is clearly strategically important to go there.

I wanted to come back to another element, which is, don't think of the clean fuel standard as the only measure. There is also \$3 billion for decarbonization. We're going to have to work with the industry, which has already, as the minister has said, the big investors in clean tech, in trying to find ways to actually transform the energy and get it cleaner, and that will open markets. It's not just for gas. It's not just for oil. It would be for hydrogen and other sources of energy.

• (1445)

**Mr. Bob Zimmer:** I have a simple question. Do you know what our products are used for? When our natural gas and propane, for example, get shipped to countries in Asia, do you know what they're actually used for?

**Mr. Jean-François Tremblay:** A lot of that is to replace coal, in many aspects. For example, China is 60% dependent on coal, so it's important they're getting.... The minister said it's practical and I think that's the point. If we want to get to net zero, we have to take full advantage of producing—

**Mr. Bob Zimmer:** Do you know what else they're used for when they land? What products are they manufacturing?

**Mr. Jean-François Tremblay:** They could be used for the production of hydrogen in Canada, for example.

**Mr. Bob Zimmer:** As an example, when natural gas and propane get brought out of the ground in my part of northern B.C., they get shipped to a port on the coast of British Columbia. Then they get sent to countries in Asia. Some of that product is turned into high-value plastics, not single-use plastics. It's the high-value plastics used in our iPhones and other things.

**The Vice-Chair (Mr. Greg McLean):** Please be quick, Mr. Zimmer.

**Mr. Bob Zimmer:** I'll finish with this. I would hope the overall calculation is considered the end value in terms of the reduction of carbon in the countries that our gas is being exported to. It really needs to be the number one factor when calculating some of these new standards, which are only set to—

**The Vice-Chair (Mr. Greg McLean):** Thank you, Mr. Zimmer.

Is there a response to that from the deputy minister?

**Mr. Jean-François Tremblay:** The last point I would mention is that the fuel standard was developed in consultation with and by engaging with the industry. They actually raised some of the con-

cerns, and we'll see how some of them could be addressed and how we are going to move on with this.

I would say that a lot of them didn't necessarily oppose the CFS. They raised concerns, but it's not necessarily a—

**Mr. Bob Zimmer:** I highly doubt this industry supports—

**The Vice-Chair (Mr. Greg McLean):** Mr. Zimmer, we're moving on to the next speaker.

Go ahead, Mr. Lefebvre.

[*Translation*]

**Mr. Paul Lefebvre (Sudbury, Lib.):** Thank you, Mr. Chair.

First, I'd like to thank all the witnesses who are with us, including the deputy minister and the assistant deputy minister.

I'd like to thank you for the incredible work you've done over the past year. It has been a tough year for everybody. We have made it through some extremely difficult times.

As you know, I represent Sudbury. So we're going to talk about mines, something that we haven't touched on very much.

[*English*]

I'd like to talk about mining. Nobody has asked any questions of the minister about this topic, so I will ask the ADM and the DM as to the potential of this sector. It's something near and dear to my heart.

Sudbury has a story I always mention about where we were 50 years ago with innovation. We wanted to build the largest super stack in the world so that pollution would go further. Next year we're bringing it down. We're bringing down the second-largest super stack in the world because of innovation, because of the community coming together and because of regulation. They have all worked together. We talk about oil sands and natural gas out west, but we've lived it in Sudbury, with the transition and the difficulty.

Mining is important, and we certainly know that critical minerals are key to decarbonizing our economy and electrifying our economy. I want to know two things.

I want to hear about the critical minerals plan that we are making with some of our partners.

Can you also very quickly address the geoscience program? We need to be able to access these minerals. We have tons of them in Canada, and geoscience plays a key role in that and the opportunity it represents.

[*Translation*]

Mr. Tremblay, would you like to start? After that, we will hear from Mr. Labonté.

The floor is yours.

[English]

**Mr. Jean-François Tremblay:** You'll notice there was some funding for geoscience in the main estimates and the supply.... It's very important. It's by doing geoscience that we find the minerals, identify them and support the industry.

I will turn to Jeff, who I'm sure wants to say more. He's been waiting for a while.

Go ahead, Jeff.

**Mr. Jeff Labonté (Assistant Deputy Minister, Lands and Minerals Sector, Department of Natural Resources):** Of course, the mining sector remains one of Canada's more dominant sectors. It produces significant amounts of jobs, GDP and growth.

With specific reference to your question on the geoscience, the government announced the renewal of the geoscience GEM program, which is geo-mapping for energy and minerals, with \$131 million over seven years to renew that program, as well as the targeted geoscience program. As has been pointed out, these are, if you will, the pipelines that produce the knowledge and research that allow exploration companies to then further assess the potential for mineral development in Canada.

The economic return to the investments in these programs ranges between \$1 and \$7, so \$7 of investment for every \$1 spent by public funding. The geoscience can go up to \$10 worth of private investment.

These are the projects that start, and I would point out that they sustain and support some 600 different communities across the country where mining and mining services, mining operations, exploration and science are very predominant. There are over 280,000 direct and indirect jobs in the mining and minerals sector.

What is substantially important to point out is that the mining and mineral sector is the largest employer of indigenous peoples across the country, with some 16,500 indigenous Canadians employed by the mining sector.

Canada has a very healthy mining and minerals sector. About half of the world's mining operations, mining projects, mining financing and background are financed by Canadian companies through the stock markets here in Canada, so we have the opportunity to also influence how the rest of the world develops mining operations and to make sure that community engagement, local employment and the right environmental and industrial standards are used. That will extend Canada's footprint well beyond our own country.

● (1450)

**Mr. Paul Lefebvre:** Yes, on that point, I've seen first-hand when we go to PDAC in March each year, the world comes to Toronto to talk to Canada. I've been very fortunate to speak with a lot of ministers of mining from around the world. They are always asking us how we're doing it here.

You raised a point on indigenous participation. I think we've done well, but there is so much more to do and the potential is huge.

Again, we are leaders in the world, but I'd like to hear from you on the Centre of Excellence for Indigenous Minerals Development, which is an initiative we started. Do you have anything on that centre you could share with us as well? It is so important. When the world looks at us, we look at the world and see that our practices here should be repeated and certainly looked at, but how are we doing in that sphere?

**Mr. Jeff Labonté:** Indeed, there is a lot to be proud of, and there's also further work that needs to be done. We can build on the expertise that we have. The centre is one of those forums where, working with indigenous communities, associations, the service sector and all the supporting institutions, Canada can sustain those jobs held by indigenous peoples and increase the number of indigenous Canadians involved in the mining and mineral sector.

At the same time, on the minerals and mining sector that's in transition, we look at critical minerals and the minerals that will be needed in the future. Those minerals are significantly important to Canada's clean technology sector, and to reducing emissions and producing some of the advanced products and services that are demanded by the world today.

When we look at the move to renewables, we look at the move to advanced materials, lighter metals—

**The Vice-Chair (Mr. Greg McLean):** Quickly, please.

**Mr. Jeff Labonté:** —and new components. All of our semiconductors, all of those materials that we use as a society, are based on critical minerals. Canada is deeply fortunate to have the vast majority of those minerals available. They can be developed and part of our science program is supporting—

[Translation]

**The Vice-Chair (Mr. Greg McLean):** Thank you.

The next speaker is Mr. Simard.

You have six minutes, Mr. Simard.

**Mr. Mario Simard:** Thank you very much, Mr. Chair.

I have a question for the deputy minister. With a Simard talking to a Tremblay, you would think we were in Saguenay—Lac-Saint-Jean.

When I add up all funds allocated to all existing programs and initiatives to support the forest industry—such as the forest innovation program, the investments in forest industry transformation program, the expanding market opportunities program, and the indigenous forestry initiative—I get a total of \$251 million a year. To me, that's pretty astounding because it's half of what was invested to support Coastal GasLink, which was \$500 million.

We heard from people on the committee that the costs of converting pulp and paper mills are very high. With a budget of about \$82 million a year for IFIT, the investments in forest industry transformation program, I can only think of one way to explain it, and that is a lot of projects get rejected.

• (1455)

**Mr. Jean-François Tremblay:** You're right, it feels like we're in Saguenay; I'll try to lighten up my accent, otherwise we will lose the interpreters.

Thank you for your question. The interest in and importance of industries is not necessarily calculated in dollars alone. I can tell you that the effort is the same for us. You noticed that we received the money for planting the trees. We are continuing on with the IFIT.

It's not a question of choosing between different sectors. We work with all sectors. You raised one of the key points: we need to work on the bioeconomy and find out how we can actually use the forest more and more to try to produce new products that we can market, such as plastics. So we're working with all industries. If I may say so, I feel you're giving a false indication when you only bring up the numbers.

Are we rejecting projects? We reject them in all sectors. However, we have just received submissions for the IFIT program. We are still encouraging submissions and we expect to have more. I can refer to Ms. MacNeil if you want more details.

**Mr. Mario Simard:** No, that's fine.

It is also my role to point out that it's clearly inadequate. To be frank, I have toured the entire forest industry in Quebec, both with the association and the stakeholders, and what I'm told is that federal government support is clearly inadequate.

On that note, I would like to tell you about something that bothered me. I looked at the expanding market opportunities program, with the knowledge that Quebec is the most important player in the forest industry in Canada, and it seems that the program was tailor-made for British Columbia, since almost 80% of the envelope was granted in British Columbia. But British Columbia is not the biggest player in the country. What I'm hearing from people on the ground is that the program was designed to meet British Columbia's interests and that some changes should be made to allow for greater sensitivity to developing added-value product markets.

Are you aware of this issue?

**Mr. Jean-François Tremblay:** We don't choose one province over another, I want to make that clear.

In terms of investing more in added value, that's something governments and industry need to work on together. We need to innovate more. You know as well as I do that forestry has long been a fairly traditional and conservative sector. So it has to adjust.

The good news right now is that things are going pretty well in the wood industry. We have even returned to very high rates. The paper mills are still having some difficulties on the pulp side, as you know. These are sectors where innovation will need to be stepped up and where we will have to work with industry to find

new solutions. However, companies like FPInnovations are working a great deal with industry.

Many of the challenges we face have to do with forestry.

**Mr. Mario Simard:** The research is there. It's obvious, but if they want to get things to market, I feel that the federal government's support is inadequate.

I would like to end with the big question of hydrogen. I know that you will be announcing a hydrogen policy. Everyone I consulted told me that, based on scientific knowledge, it was a very bad idea to produce hydrogen from fossil fuels.

I'm wondering, did you consult with experts in the field to come up with your hydrogen strategy?

**Mr. Jean-François Tremblay:** Yes, we consulted experts, of course. I can refer to Ms. Johnson, who has worked on that.

We believe that ideas must be built on facts, on evidence produced by science. That is what determines what's best in the end. Our goal with the hydrogen strategy is indeed to develop new markets, but above all, it is also to work on carbon neutrality and reduce emissions. As the minister pointed out, no one—

[English]

one-size-fits-all approach on this.

[Translation]

We see several ways to get there.

I don't know if you want to add anything, Ms. Johnson.

[English]

Do you want to add something on the engagement process?

**Ms. Mollie Johnson (Assistant Deputy Minister, Low Carbon Energy Sector, Department of Natural Resources):** When we're looking at the difference between all the colours, there's an opportunity to think about how it's being produced, but the most important thing is looking at emissions intensity. We're constantly working toward lower emissions, and looking at how we're producing hydrogen. We continue to seek out market opportunities. We want to be focused on what we can do here in Canada. That's what we'll be looking at in the hydrogen strategy.

When we think about what other jurisdictions and other countries are doing, even those jurisdictions that are going to be focused, or have put a premium on green hydrogen, we still recognize that looking at blue hydrogen is something we're going to have to do in the near term as we're moving forward.

• (1500)

**The Vice-Chair (Mr. Greg McLean):** Thank you.

That's the end of the questions for Mr. Simard.

Our last questioner for the day is Richard Cannings, member of Parliament, for six minutes please.

**Mr. Richard Cannings:** Thank you for being here today.

Just listening to Mr. Zimmer and his line of questioning on natural gas made me decide to go in that direction. When I was last in Mr. Zimmer's riding in Prince George, I was at a natural resources meeting where the local experts in those projects up there said that they needed a price of \$6, I think, for natural gas for those LNG projects to be financially viable. Right now, the price is less than half of that. I think the best projections for the next 10 years are that it may go up to \$4. I also have talked to experts in natural resource economy and trade to Eurasia. They say the China market for natural gas is declining. That's one concern I have about those things.

A couple of years ago, I was down in Argentina at a G20 meeting with Minister Carr when he was Minister of Natural Resources. He was talking about the need to export our natural gas and get credit for that shift from coal to natural gas. He said that we want to do this with China, and the Chinese minister got up and said, "We are moving directly from coal to renewables." You could take that with a grain of salt, but I just wanted to get a reply from the department about natural gas and how the future looks for Canadian exports abroad, considering these very low prices and changing markets.

**Mr. Jean-François Tremblay:** If we had had a discussion 15 years ago, we would have talked about a completely different picture. As you remember, before there was shale gas and shale oil. This is a sector that is evolving quite quickly.

I think there's still a market for the LNG; that's for sure. That's what we're hearing. We get comments and questions from Asia, and it continues to be a big interest.

We're also getting a lot of interest in hydrogen, as was mentioned, on using gas to transform to hydrogen. I don't necessarily think the market is down. If you look at, as was mentioned before, the CER and what it says in its report, it also includes a significant portion of fossil energy that will be part of our mix in 2050. That would be the case in other countries, so there is a market for the energy. As was mentioned, however, if we want to get access to those markets, we're going to have to have the best in class, and as you know, that's what's happening with the big LNG projects in British Columbia.

If you want, I can turn to Glenn, who's the ADM on energy, if he wants to add something.

**Mr. Richard Cannings:** Okay, quickly. I have another natural gas question I'd like to get into.

**Mr. Glenn Hargrove (Assistant Deputy Minister, Strategic Petroleum Policy and Investment Office, Department of Natural Resources):** Thank you, Deputy, and thank you, Mr. Cannings.

I guess I would just add that we certainly see a lot of continued enthusiasm for LNG. I recently participated in a Canada-Japan energy forum where LNG was top of mind. I think we can look at the LNG Canada project, which is the biggest private-sector investment in Canadian history. I think we can see that there is continued inter-

est in and enthusiasm for LNG and export to the Asian market. I'll leave it there.

Thank you.

**Mr. Richard Cannings:** It was the LNG Canada people who told me they needed \$6 to make it profitable.

I just want to ask more about domestic LNG, specifically renewable natural gas. We have a project starting in my riding using forestry waste to make renewable natural gas. They're looking to the federal government for some supports for that. We're getting some headwinds over the federal government not counting that as climate friendly. It is a fossil fuel, so it was not considered for a lot of funding.

I'm just wondering if there's an exception possible for renewable natural gas that is taking forestry waste that otherwise would just be burned.

• (1505)

**Mr. Jean-François Tremblay:** It's hard for me to assess a project without seeing the details of it. I'm not in a position to answer it. If you want to send us the project, we would be pleased to look at it.

**Mr. Richard Cannings:** I guess my question was whether there is some blanket.... There's a lot of funding out there for projects that will get us to net zero, but some of these envelopes of funding seem to exclude natural gas because it's a fossil fuel.

**Mr. Jean-François Tremblay:** I would not say that they exclude natural gas, because, as I mentioned before, we continue to support the natural gas industry and support the export of natural gas. We also just approved projects like the NGTL where natural gas will be used to get off coal.

As we mentioned also, on the hydrogen side, there is the possibility of using natural gas to produce hydrogen, especially if you combine that with carbon capture, for example.

**Mr. Richard Cannings:** Thank you very much. I appreciate it.

**The Vice-Chair (Mr. Greg McLean):** Is there anything else today? I think that's probably all we're going to get in as far as the timing on the round today.

**Mr. Bryan May:** On a point of order, I want to thank you for stepping into the chair's role today and handling yourself very well on a day that came with a number of technical challenges.

On a very important point of order, I want to wish everybody a very merry Christmas and an incredibly happy new year.

**The Vice-Chair (Mr. Greg McLean):** Thank you, Mr. May.

**Mr. Maninder Sidhu:** Happy Hanukkah.

Take care everyone.

**The Vice-Chair (Mr. Greg McLean):** Thank you.

**Mr. Jeremy Patzer:** Chair, am I able to table a motion?

**The Vice-Chair (Mr. Greg McLean):** You can put a motion forward, Mr. Patzer.

**Mr. Jeremy Patzer:** I'm going to send it to the clerk here. I have it in translation as well, so the clerk should be getting that shortly.

I have a notice of motion to put forward, as follows:

That, pursuant to Standing Order 108(2), the committee call for the Honourable Seamus O'Regan, Minister of Natural Resources, to appear no later than Friday, February 5th, 2021 for at least two hours in order to provide timely updates on the current and expected impacts of Canada's economic and trading relationship with the United States on both the Keystone XL pipeline and Softwood Lumber disputes.

It was great having the minister here today, but it was such a short time. I think we all would like to hear from him a little bit further, especially since this is his file.

**Mr. Bryan May:** Mr. Chair, just for clarification, this is a notice of motion.

**The Vice-Chair (Mr. Greg McLean):** It has to be a notice of motion. This would require 48 hours.

Is there any discussion on the motion?

Is there anything else that we need to consider at the committee here today?

Everybody, thank you for today and merry Christmas, happy new year, happy Hanukkah and happy holidays. We will see you in the new year.

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