



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on Industry and Technology

EVIDENCE

NUMBER 067

Wednesday, April 19, 2023

Chair: Mr. Joël Lightbound



Standing Committee on Industry and Technology

Wednesday, April 19, 2023

• (1635)

[Translation]

The Chair (Mr. Joël Lightbound (Louis-Hébert, Lib.)): I call this meeting to order.

Hello everyone.

I welcome you to meeting No. 67 of the House of Commons Standing Committee on Industry and Technology.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Monday, November 28, 2022, the committee is meeting to study the development and support of the electronics, metals and plastics recycling industry.

Today's meeting is taking place in a hybrid format.

I have the honour of introducing the witnesses joining us today. We welcome Ms. Theresa McClenaghan, executive director and counsel for the Canadian Environmental Law Association; Ms. Dawn Madahbee Leach, chairperson of the National Indigenous Economic Development Board; and Ms. Christina Seidel, executive director of the Recycling Council of Alberta. We also have Mr. Thompson Hickey, general manager of trail operations, and Ms. Amber Johnston-Billings, vice-president of communities, government affairs and health, safety, environment and community systems; both are from Teck Resources Limited.

Without further ado, we will start with Ms. McClenaghan of the Canadian Environmental Law Association, who will have the floor for five minutes.

[English]

However, just before you start, I want to advise witnesses and members that we're expecting a vote at 6:10, so bells will start ringing at 5:40. Unfortunately, we'll probably have to adjourn the meeting a little earlier, but we'll get to that in due time.

Again, thank you to all of our witnesses today for being with us.

Without further ado, Madame McClenaghan, the floor is yours. I'm sorry if I mispronounced your last name. You have my apologies for that.

[Translation]

Ms. Theresa McClenaghan (Executive Director and Counsel, Canadian Environmental Law Association): My name is Theresa McClenaghan. I will be speaking English this evening.

[English]

Thank you very much for inviting the Canadian Environmental Law Association to speak to you as a witness today on this important study on reusing materials and supporting a circular economy.

The Canadian Environmental Law Association is a national NGO and an Ontario legal aid clinic. We were formed in 1970. We assist members of the public in participating in environmental decision-making, and we advocate for better laws to protect against environmental harm.

I have filed a written brief with the clerk of the committee, which I'm sure you'll receive in due course. I want to say, as a preliminary comment, that CELA is a strong supporter of the principles of a circular economy, including the principles of safe material reuse, a reduction in energy utilization and a reduction in discarding materials.

However, there are issues that I'm sure you'll investigate in this committee that I won't be delving into today. We'll probably file a second brief from CELA on issues dealing with, for example, the potential for toxic chemicals and plastics to make their way into reused products.

For today, I want to say that those principles do not apply to used nuclear fuel waste. Nuclear fuel waste is high-level waste under Canada's nuclear fuel safety act. It is the waste that results after uranium fuel has been used. Natural uranium fuel has been used in the CANDU reactors in Canada. It is extremely hazardous after it's been used in the reactor, and it must be kept separated from people and the environment for hundreds of thousands of years, according to the Nuclear Waste Management Organization.

There have, however, been some recent proposals for and even funding toward research in Canada with the idea of "reprocessing" this waste, which means extracting the plutonium from the used fuel waste so that the plutonium can be used as a nuclear power fuel. However, plutonium can be used both as nuclear power fuel and in atomic weapons.

Extracting plutonium from used nuclear waste contradicts Canada's decades-long practice of not allowing the reprocessing of nuclear fuel in Canada. The reason is that it raises concerns about the diversion of that separated plutonium toward atomic weapons use. This is something that is made vastly easier—if you can say that—for bad actors to do once the plutonium has already been separated from the very hazardous used nuclear fuel waste.

That risk exists, regardless of the original intent behind the reprocessing exercise and regardless of how pure or not the extracted plutonium is. That statement has been made by, among others, the U.S. National Academy of Sciences and the United States Department of Energy.

In addition, the reprocessing itself results in other nuclear waste that is even harder to deal with than the current nuclear fuel waste that Canada is already contending with. There's more hazard, and there are additional types of radioactive materials that result. Much of it is in liquid form, and there are no current prospects for the long-term disposal of that reprocessing waste. There are, additionally, examples elsewhere in the world, where reprocessing facilities have resulted in extensive environmental contamination.

The industry advocating the idea of reprocessing nuclear fuel waste has been trying to utilize ideas like waste reduction and recycling to support these proposals, but these completely miss the mark in terms of the nuclear weapons proliferation risks that are raised. Globally recognized non-proliferation experts, such as scientists at Princeton University, have been warning Canada explicitly about the dangers of allowing nuclear fuel reprocessing in Canada.

My organization, CELA, and other civil society colleagues across Canada have been calling on Canada to explicitly ban nuclear fuel reprocessing in Canada as a result of these risks. We recommend to this committee that it make that recommendation as part of its study on a circular economy.

• (1640)

Those are my remarks to start.

Thank you.

[*Translation*]

The Chair: Thank you very much.

[*English*]

We'll now turn to the Recycling Council of Alberta.

Madame Seidel, the floor is yours.

Dr. Christina Seidel (Executive Director, Recycling Council of Alberta): Thank you very much. I'm happy to be here today.

I'm with the Recycling Council of Alberta. We are a grassroots charitable organization. We've been operating in Alberta since 1987, but we work a lot with our colleagues across Canada as well.

Even though we are the Recycling Council of Alberta, our mission now is actually to promote, facilitate and advocate for a circular economy, not just recycling. We've had to make that change, as many organizations have, because we are faced now with the reality that we will never recycle our way out of this issue that we have today. We are recognizing that there is a new paradigm that we are all working within. It's a new paradigm both for the environment and for the economy. It is called the circular economy, and it can make a huge difference in terms of how we can achieve some of the things we want to achieve.

The circular economy really is about redefining a lot of things we've taken for granted. If you look at the circular economy princi-

ples, essentially the first step that we so often miss is that we need to redesign systems. We need to "design out" waste and we need to design out pollution so that we don't have that to deal with right from the start. Systems need to be designed right from the beginning to accomplish that.

Then, for the materials that we use within our economy, we need to make sure they operate at the highest order for as long as possible, so that we again, through design, have those materials within the economy for a longer period of time. Then, within all of this circular economy is a much more holistic notion, really, than recycling, in that all of this system within the circular economy really is about trying to regenerate natural systems rather than breaking them down. The ultimate imperative is a healthier environment, and that's certainly one of the things the circular economy tries to achieve.

There are some really interesting business models the circular economy embraces, and they are things you've definitely heard about, like product life extensions. Also, there's "product as a service", and that is really taking the economy by storm, as well as sharing platforms and things like tool libraries, so that we don't all have to have one of everything but instead can embrace materials and products as a society and share them with each other. This has not only environmental but social benefits as well.

At the recycling council, we launched a program across Canada called the circular cities and regions initiative. We looked at how a circular economy can be developed at the municipal level. We did that because so many things happen at the municipal level. It's a very robust part of our economy. Municipalities have a lot of ability to do a lot of things and create a lot of new policies and really change the climate.

I've had some real success across the country with bringing some of these communities together. We've had communities everywhere, from a few hundred right up to half a million, that have worked within this initiative. They are from all the provinces and at least one territory, and in both languages, so this is something that we're very proud of and want to continue.

I also wanted to mention that within a circular economy, speaking of policy, one of the key policies that's really important is "extended producer responsibility". This is a policy that has been adopted by virtually every province across the country and now by the territories as well. Essentially, extended producer responsibility puts the responsibility back on the producer of the product and the material. That is a very strong benefit, because they are the ones that are most able to bring that material back into the system through a circular economy.

We really embrace EPR across all the provinces and all materials, but the one thing I will say about EPR is that to this point we have applied EPR only to residential materials when it comes to packaging. We need to broaden that again to make it more holistic, and we need to embrace all sectors, including the commercial sector.

That's just a summary of our beliefs around a circular economy.

Thank you very much. I look forward to questions.

• (1645)

[Translation]

The Chair: Thank you very much.

I now give the floor to the representatives of Teck Resources Limited.

[English]

Ms. Amber Johnston-Billings (Vice-President, Communities, Government Affairs and Health, Safety, Environment and Community Systems, Teck Resources Limited): Thank you, Mr. Chair and members of the committee, for the opportunity to be here in person today.

My name is Amber Johnston-Billings. I'm a vice-president at Teck Resources covering the communities area and the government and regulatory affairs area.

Teck is a proudly Canadian company. We employ 8,000 people directly in Canada and another 65,000 people indirectly across this nation. There are four head offices—three based in Vancouver, Calgary and Toronto, as well as a satellite office in Santiago, Chile—and last year we contributed \$11 billion to Canada's GDP.

Today, for the purposes of the committee, we intend to focus on the Trail smelting and refining complex in southern B.C. Joining me is Thompson Hickey, who is the general manager for that smelting complex. I'll pass this to him now to describe the metals recycling program at Trail.

Mr. Thompson Hickey (General Manager, Trail Operations, Teck Resources Limited): Thank you, Amber.

Good afternoon.

Trail Operations has been in business for over 125 years and has evolved to become one of the world's largest metallurgical complexes and refineries. We directly employ 1,500 people and contribute approximately \$1 billion to the local GDP. We produce 15 metals products, specialty metals and chemicals, including seven of Canada's 31 critical minerals.

We are excited to say we recently released a report outlining the extremely low carbon footprint of our special high-grade refined zinc. The low-carbon nature of Trail's zinc is attributable to our use of clean and renewable power from the local Waneta hydroelectric dam and the primary sourcing of concentrate from our Red Dog mine in Alaska.

In addition to our processing of mined concentrates, we are also proud of our metals recycling program, which started in 1982 with lead battery recycling and has since evolved to other materials. At Trail, each year, we currently recycle about 40,000 tonnes of lead batteries used in cars, telecommunications, medical equipment, etc.; about 5,000 tonnes of cathode ray tube glass from old TVs and monitors; about 500 tonnes of zinc alkaline batteries—these would be your Duracell or Energizer consumer batteries; and about 15,000 tonnes of secondary materials from other industries, from which we recover zinc, lead and germanium.

Over many decades, we have helped keep hundreds of thousands of tonnes of metals in use to support the circular economy and reduce environmental impacts. While recycling currently makes up 5% to 10% of our total raw material supply chain, we are continually looking to develop recycling even further. Today, we are making a modest expansion in our lead battery recycling capacity, testing the recovery of zinc from electric arc furnace dust, and exploring the potential to recycle the lithium-ion batteries used to power electric vehicles.

The Government of Canada set a mandatory target for all new light-duty vehicles to be zero-emissions by 2035. This means Canada needs to build—and find the raw materials for—significantly more electric vehicles over the next 10 years. It also means just as many lithium-ion batteries will eventually need to be recycled.

There are several differences between the lead and lithium-ion batteries used in vehicles that are particularly important when it comes to recycling. Here are a few of these. One, a lead battery is the size of a small toaster oven and can be easily removed and replaced by you and me in our vehicle. In comparison, a lithium-ion battery pack is integral to the vehicle and weighs approximately 500 kilograms. Two, while a lead battery contains four to five elements and each is essentially the same regardless of manufacturer, a lithium-ion battery is made up of many components, including a wide variety of chemicals and elements that differ by manufacturer. Three, most lithium-ion batteries today contain lithium, nickel, cobalt and manganese, which are all listed as Canadian critical minerals.

There is a well-established circular economy around lead batteries. However, a full lithium-ion battery recycling value chain does not currently exist in Canada or anywhere in North America. While a lithium battery circular economy is starting to develop in North America, there are still key questions to be answered regarding effective recycling technologies, evolving battery chemistry, ownership of the battery, and the regulatory framework.

That being said, we see this as a major opportunity not only for Teck but also for Canada in being first movers in this space, despite the significant capital investment required to establish a circular economy for the lithium-ion battery industry.

With that, I will now turn it back over to Amber to conclude our opening remarks.

• (1650)

Ms. Amber Johnston-Billings: Thanks, Thompson.

We're pleased to see that the federal government is focused on EV battery recycling, and we believe our Trail smelter, with 120 years of innovation, is very well placed to take part in both the recycling sector and the EV battery recycling space.

Thank you. We look forward to your questions.

The Chair: Thank you very much to all of our witnesses for their testimonies.

I will now turn to Mr. Perkins to start the discussion.

You have six minutes.

Mr. Rick Perkins (South Shore—St. Margarets, CPC): Thank you, Mr. Chair, and thank you, witnesses, for appearing.

If the committee will indulge me, the first couple of questions I have are for our Teck witnesses. Ms. Johnston-Billings is perhaps the best person to answer them.

You guys have been in the news a bit in the last couple of weeks. These are interesting times, with the unsolicited bid from Glencore to take over your company. I'm wondering whether you could inform this committee first, if Glencore is successful...

I have a number of questions.

First, what would the likely impact be on jobs and the efforts you make in terms of your mining recycling system?

Ms. Amber Johnston-Billings: Yes, you will have seen in the news that we're fending off a bid from a foreign company—Glencore—that's been unanimously rejected by our board on two occasions.

I'm not sure if people are familiar with Glencore, but they don't have a great track record for a number of reasons. Last year, they paid 1.7 billion dollars' worth of corruption charges; \$1.1 billion of that was in the U.S. They're well known as being corporate raiders. They tend to come in and buy assets, which are usually assets that have been pretty well run in the past and have a lot of goodwill about them. In that process, they tend to deplete the ore in that asset, dump the asset and move on, which leaves them with a terrible track record in terms of human rights abuses, labour strikes and certainly environmental stewardship issues.

This is a company that we absolutely do not want to see take over one of Canada's last remaining critical minerals companies. We are Canada's largest diversified miner. We have spent decades developing assets in Canada. We have 85 indigenous agreements. We honour each of those and we're obviously worried that if the Glencore takeover happened, we wouldn't be able to honour those commitments.

On the second part of your question around the recycling piece, I think it's well known that Glencore doesn't spend a lot of money on innovation and technology. Certainly, pursuing something like EV battery recycling at Trail would require significant partnership with the federal government, with local communities and with other smaller recycling companies that are based in that Teck ecosystem. The likelihood that Glencore would partner with them and put up capital to develop this and retrofit the smelter is very low, in our opinion.

Mr. Rick Perkins: Thank you.

In my business past, I've been involved in a lot of acquisitions. I've been on the acquiring end and on the other end, working for companies that have been acquired. Generally, the acquirer's culture and approach to business takes over when they acquire a company and they have to produce savings.

Has Glencore made projections as to what the savings of this acquisition might be and what the lost jobs for Teck would be?

Ms. Amber Johnston-Billings: They haven't been explicit on the jobs, but they have been explicit about a head count reduction that would accrue about \$300 million of benefit to Glencore shareholders and effectively job loss in Canada.

We think that in the Glencore proposal they put forward to shareholders, they have suggested 4.75 billion dollars' worth of synergies. If you look at the fine print in that, 5,000 of those are likely to be the loss of jobs in Canada at our two head offices, which are in Vancouver and in Toronto. They have a history of reducing workforce at sites as well, so we don't know the proportion that would come from jobs based at our operations, but we are aware that they're very likely to take down and remove the two head offices. There's a big job impact in Canada.

To link it to the critical minerals dialogue, that means you'd lose a lot of talent that needs to stay here to keep developing those critical minerals assets, doing exploration and doing things like recycling.

The other big piece of that is a benefit that they have indicated they would get from paying less tax. Glencore is facing a number of corruption charges for that around the world. That would effectively be moving their tax jurisdiction overseas. For the assets that Teck currently owns, which operate under Canadian values overseas, they would very likely be paying their revenue through to those different offshore entities and then through to the headquarters in Switzerland. Effectively, we think Canada would be losing in the order of between \$200 million and \$400 million of tax revenue if Glencore were to be successful in its bid.

• (1655)

Mr. Rick Perkins: I think you said that Glencore is facing \$1.4 billion in corruption and bribery fines. There were recent charges and a settlement with them, I guess, in the U.S. on their operations and around corruption and bribery.

Do you know how much that was?

Ms. Amber Johnston-Billings: I think that was \$1.1 billion.

Mr. Rick Perkins: You or your colleague mentioned the critical minerals that you're mining at Trail. Obviously, this would be one of our last Canadian-owned critical mineral companies that's producing, and it would become foreign-owned. We have only one lithium-producing mine right now, and it's currently owned by the Chinese government. One hundred per cent of what it does goes to China for use in its attempts to green its economy.

What would it mean to lose that for our supply chain of critical minerals and our attempts to green our economy?

Ms. Amber Johnston-Billings: It probably means a whole range of things, but first of all you would lose control of the Canadian-based critical minerals assets. Then you would lose control of the assets based overseas that currently are owned by Teck and that operate with Canadian values. They're primarily copper resources for the Teck portfolio, as well as zinc resources.

I think the other thing that is concerning from a critical minerals supply chain perspective is that Teck Resources has spent a long time developing very close relationships with South Korea and Japan and engaging in a whole number of friendshoring activities, looking to Europe, as well. That means that if Glencore were to take over, their main customers are based in China, so you would effectively see a loss of control of where the critical minerals that are produced from Canada, Chile and other friendly nations through to other jurisdictions.... We can't say for sure, obviously, but it would be unlikely that Glencore would be as well placed and friendly towards working with the Canadian government on that friendshoring initiative and the protection of critical minerals long term.

Mr. Rick Perkins: Thank you.

Am I done? Okay.

I have more questions, but apparently I'm done.

The Chair: Yes, unfortunately, Mr. Perkins.

We'll now move to Mr. Fillmore for six minutes.

Mr. Andy Fillmore (Halifax, Lib.): Thank you very much, Mr. Chair, and thanks to the witnesses for joining us today and sharing their time, experiences and wisdom with us.

Ms. Seidel, I want to start with you. I was very interested in your discussion about extended producer responsibility, and I wonder if you could talk a little more about that and maybe focus on where the best practices are. What other jurisdictions or other countries are doing a good job that Canada could look to, and where could Canada improve?

Dr. Christina Seidel: What's interesting is that we have one of the best practices here, and that is British Columbia, which has some of the best EPR programs in the world. They are certainly used as a model. They are being used increasingly as a model now for the U.S. states, and even federally as they are looking at implementing EPR across the United States. They are looking very closely to B.C. as their model.

That being said, as with most things related to waste, we look to Europe for a lot of these things. Europe tends to be very progressive on waste issues, and EPR is no exception. As we are enhancing our EPR systems across the country, we are very much borrowing

ideas from the EU, because they tend to be that much more progressive than we are. Again, that being said, we certainly, ourselves, do good work on EPR, especially.... Other than that one point that I brought up for packaging, we are focusing only on residential, and we need to focus on commercial as well.

Mr. Andy Fillmore: Okay, thanks for that.

We know that the EU does things very well collectively—for example, the single cellphone charger initiative and so forth—but your Canadian example was limited to British Columbia. Do you feel there is a missing national piece here, that this work should be rolled out equally across all provinces and territories through a national effort?

• (1700)

Dr. Christina Seidel: That's one of the challenges we have with EPR and, actually, with a lot of waste policy, because jurisdictionally the provinces have authority over waste.

Recently I'm sure you heard about what's happening with Environment Canada and all the new single-use plastics regulations, for example. Those are being done at the federal level. We haven't done much federally in terms of waste issues because of that jurisdictional challenge, but Environment Canada has a whole new interest, especially in plastics and in zero plastics particularly, so we are starting to see this happen more.

I think this is a very good thing, because we've tried to create more of a national system through CCME as the only real mechanism that we had to try to get provinces all on board to be the same. However, it has been a bit clunky, to be honest. Provinces aren't always as good at working together as they should be. I think the more the federal government can really set the stage, the better. Then we can move forward at a national level as opposed to just waiting for the provinces to all catch up.

Mr. Andy Fillmore: Okay, thank you.

You mentioned that to date the efforts in B.C. regarding EPR are limited to household-level consumer goods and don't get into corporate work. Is there a particular barrier, or is it just a matter of not having ramped up there yet?

Dr. Christina Seidel: It's actually a complicated answer. The limit to residential materials is for packaging and printed paper. The blue-box materials are the ones that have been limited to the residential sector.

The other materials—for example, if you look at tires or used oil—actually cross the sectors. That's not just residential. It's not just residential because it can only be residential; it's because that is the way it has been done historically. That is not good enough anymore. We need to expand that, because there's way more material that comes out of the commercial sector than out of the residential sector.

I can tell you the big barrier is the waste companies, because they feel that the commercial sector is their area. They control it. They have always controlled it. If we expand EPR to include all the commercial sector, that is going to really enter their turf. Waste companies have been opposed to it from the beginning. It's purely for political reasons that this has not happened. Alberta just introduced EPR regulations last fall. We were really hoping we would be the first ones to bring in the commercial sector, but again, that didn't happen for a number of reasons. It is coming. Quebec is talking about it. B.C. is talking about it. It's just a matter of time, but it can't happen soon enough.

Mr. Andy Fillmore: Thank you for that.

The chair will cut me off if I run out of time, but until I'm appended maybe I'll go on with one more question.

In your opinion, segueing from that, what's the best way that governments can hold corporations accountable for the waste they generate while also making sure they are manufacturing products that are able to be reduced?

What kinds of mechanisms have you seen working there?

Dr. Christina Seidel: I actually think extended producer responsibility is probably the best mechanism we've seen so far. It has to be married with other things as well, like other supporting regulations. In terms of an overarching policy, EPR puts the responsibility fully back on producers, who then can't ignore it anymore, because they're the ones who are responsible not only for paying for it, but also for meeting targets. It makes them pay a whole new level of attention that they haven't had to pay before. It is already making a big difference in other jurisdictions, like Europe.

Mr. Andy Fillmore: Thank you very much.

I think my time is probably up at this point.

[Translation]

The Chair: That is indeed the case, Mr. Fillmore. Thank you very much.

I now give the floor to Mr. Lemire for six minutes.

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

Ms. McClenaghan, during our committee's study, we heard that the government was holding consultations on the transportation of dangerous recyclable materials. Our study is focused on metals and plastics, but you drew our attention to plutonium. When explosive nuclear materials become available, nation states will have the choice of using them for civilian or military purposes, it would seem.

Should Canada be more transparent when it comes to what it sells to other nations? Which department should we question about

this? Which international convention should we review to shed light on these issues?

• (1705)

[English]

Ms. Theresa McClenaghan: [Technical difficulty—Editor] for years. Canada is a party to the International Atomic Energy Agency's Treaty on the Non-Proliferation of Nuclear Weapons. That's a 1968 treaty that was enforced in 1970. Now there is work happening worldwide to include a convention or treaty that would ban reprocessing nuclear waste. Canada has not been supportive of that approach to date, at least not explicitly. Canada had a de facto ban, or at least an operational practice not to support utilizing the reprocessing of nuclear waste, specifically because of the weapon risks, along with highly enriched uranium, which we don't do here either.

There was a real opportunity for Canada to include a ban in its just-released, updated nuclear waste policy, which the International Atomic Energy Agency had asked it to do. Instead, unfortunately, Canada said in that policy, released a couple of weeks ago, that because there was no current reprocessing of nuclear waste, it was outside the scope of the nuclear waste policy.

That was, I think, a real missed opportunity. Because the advocates, as I mentioned, are arguing for the use of nuclear power as part of the answer to climate change—and that's a different discussion for a different day—the types of nuclear technology are being examined. Some of them are proposing to use, as fuel, reprocessed nuclear fuel—i.e., plutonium extracted from the used fuel from reactors.

Yes, Canada does need to work with its partners, but Canada needs to also pull up its own socks. It has been providing research money to some of the industry companies that want to explore this type of technology. Furthermore, in the recent budget, Canada, without discrimination, added nuclear to a range of tax credits and clean technology credits and benefits, without excluding reprocessing nuclear fuel from that list.

[Translation]

Mr. Sébastien Lemire: Despite signing the Basel Convention, many countries, including Canada, continue to export electronic waste to developing countries.

The Basel Action Network, or BAN, mentioned in a report that it started investigating Canada's electronic waste trade in 2002. The network proved that Canada illegally exported electronic waste, mainly from the Port of Vancouver to ports in Asia.

Furthermore, BAN stated that for over 10 years, it found the Electronic Recycling Association, or ERA, to be a constant and prolific Canadian exporter of electronic waste towards developing countries from three different locations in the Vancouver area of British Columbia. Over the years, BAN flagged those exports to Canadian authorities.

While companies like base metal smelters are telling us they have challenges due to the quantity of inputs, how are we to understand exports of electronic materials abroad?

[English]

Ms. Theresa McClenaghan: Is that question for me?

[Translation]

Mr. Sébastien Lemire: Yes, Ms. McClenaghan.

[English]

Ms. Theresa McClenaghan: CELA weighed in from time to time on Canada's participation in the Basel Convention. It deals more broadly with hazardous waste and requires, as you say, the consent of the importing country and accedence to a list of products, technologies and substances that would not be exported.

We have had concerns that, particularly in respect to some of those exports, Canada hasn't.... There were some shipments, for example, that sat on imports—in Thailand, I believe it was—that had originated from Canadian ports. It took a lot of campaigning by many civil society organizations both here and there for Canada to finally repatriate that waste.

We'd like to encourage Canada to be a leader in terms of how we're handling waste, and not to allow for that type of unfortunate action—which is harmful to the receiving countries and embarrassing for Canada.

• (1710)

[Translation]

Mr. Sébastien Lemire: How can we establish the limits of the recycling industry, given its impact on the environment? On the one hand, recycling is important to protect the environment. On the other hand, recycling certain plastic materials and electronic products also has environmental impacts. How do we reconcile both sides of the problem?

[English]

Ms. Theresa McClenaghan: One of the things CELA works on is toxic chemicals regulation. In particular, with respect to recycling products, we're quite concerned that we need to have much better disclosure and labelling about the toxic chemicals that might be found in plastics, for example. We also need traceability, so we can make sure that those plastics produced with toxic chemicals don't end up, for example, in children's toys.

In terms of electronics recycling, one of the concerns we have—not just electronics but various types of plastics—is that they can end up as very long-lived contaminants. There are campaigns going on in Europe, Canada and the U.S. around PFOS chemicals, for example. They are not only used for firefighting foam but are also in some plastics. These are finding their way into people's bodies in Canada.

Making sure we think about what we're recycling and what's in the materials that we're recycling is critical. As I mentioned at the outset, we will likely file an additional brief from CELA on that topic. The brief I filed so far was just on the topic of nuclear waste reprocessing.

[Translation]

The Chair: Thank you very much.

Mr. Masse, you have the floor.

[English]

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

Before I get to my questions, starting with Ms. Johnston-Billings, I want to preface them with a case that's taking place in Windsor right now. It's not electronic metals and plastics; it's Windsor Salt, which is now owned by Stone Canyon Industries, a holding company from the United States. They also bought a facility in Lindbergh, Alberta and closed it down. It had been there since 1948. They also bought K+S in the United States—salt.

Now there's a strike. They're known for union busting. That's really what they're doing. This is only the second strike in over 100 years. I think it was 30-something years before that. It's their own natural resource.

I'm looking at the situation you're going through right now with Teck Resources Limited. This committee is going to be looking at Bill C-34, which is important. Unfortunately, previous governments raised the threshold for review, including on our natural resources, to stop many of the reviews that could have taken place—should have taken place—of many industries. I'll be moving an amendment to the act that would include any natural resources, especially when you look at some of the critical minerals we have coming through for the electrification of vehicles and so forth, to get an automatic review despite size.

The reason I'm raising all of this is that what has been used in this parliamentary system for the two decades I've been here is, “Don't worry about it, we can do undertakings.” We've seen undertakings. They supposedly create a head office in Canada. Whether they have job guarantees for a short period of time or they have production, we've seen that to be a lie as well, when you look at U.S. Steel and Hamilton.

My question to you with regard to your situation is this: Have you guys looked at undertakings? I don't have any confidence in them. I'm just wondering about the thoughts of the board or any of your analysis as to how serious you think that might be, especially given the reputation that's been well earned by Glencore versus others. I think we're pretty much just giving away accountability.

Perhaps you can highlight that. That's our law. We can create undertakings, but enforcing them is another story.

Ms. Amber Johnston-Billings: Obviously, Glencore has a very poor track record when it comes to labour rights. To your first point, they've had 65 strikes since 2013. A number of those lasted 200-plus days, and in some cases they just shut down the asset instead of engaging with workers, so it's very problematic.

On the question of undertakings, I'm not in a position to be able to direct the federal government to look at this. All I can do is to continue providing the information I've provided today. We're aware that a net benefit review at a later point is absolutely part of the regulatory process.

I think you can see in Glencore's filings that they expect the regulatory process in Canada. I think it was referred to as almost a walk in the park, and it will take 12 months or so. We would like to highlight that we think it's very unlikely, given their practices, particularly around their corruption charges. Certainly we have asked the federal government to take a close look at this, but we're not in a position to ask for anything beyond that.

In terms of the decision they would make at a later date, that's in their court, but we welcome Bill C-34 and some of the amendments that might be made in there.

• (1715)

Mr. Brian Masse: Yes. We'll look forward, potentially, to some of your testimony for that and include it. I know it would be interesting to have some of that.

The good news is that Peggy Nash, the NDP critic for industry, fought like heck when she was here to stop MacDonald Dettwiler from being sold off, so we stopped that.

I worked on potash when this country tried to decimate our potash. Imagine if we had done that, with the situation Ukraine right now. We almost gave that away with regard to farming and agriculture, because that was on the table.

I'd like to include you on the witness list for that.

I will quickly move to Ms. McClenaghan. With regard to the transportation of hazardous goods and materials, do you know how robust the information is out there? I've been working on the situation with the DGR. That's a nuclear waste facility that's planned, and its reach is about a kilometre and a half off Lake Huron. It's about the length of the CN Tower.

It was first turned down by Saugeen nations, and then they moved another kilometre away from there to attempt another go. This is about the storage of nuclear waste for over 100 million years. The previous ones that have been built include one in New Mexico that caught on fire. Also, we would then have to have radioactive material transported through different parts of Ontario from Darlington, other places and even potentially from the United States if it were to become a storage facility.

Can you give us a bit of an analysis of how safe those issues are? I was part of a campaign as well to stop nuclear waste going through the Great Lakes to be recycled in Scotland, of all places,

and then returned to Canada. Putting it on the water obviously isn't the greatest thing.

At any rate, can you highlight that, please?

Ms. Theresa McClenaghan: That last proposal you spoke about was the proposal to ship steam generators that had been in use at Bruce Power. They withdrew that application because of public concern, first nations' concern, parliamentarians' concern and Great Lakes concern.

In terms of the DGRs, there have been two proposals. The first one that you talked about was going to be for low- and intermediate-level waste quite close to the lake. You're right. It got the EA approvals, but there was a commitment by Ontario Power Generation not to proceed unless the Saugeen Ojibway Nation gave their consent, which they did not.

This one that's now proposed by the Nuclear Waste Management Organization is for high-level nuclear fuel waste. They're down to two communities after looking at 22, and they're doing studies on those. One is in northwest Ontario, and one is in South Bruce.

In terms of transportation, there is only recently starting to be a bit of information from the Nuclear Waste Management Organization on transportation, but there are no containers yet that are approved for transporting that kind of quantity of nuclear fuel waste to the facility. Some transportation occurs. For example, there's the removal of some of the fuel from Whiteshell, which has gone already to the Chalk River laboratory in the Ottawa Valley.

There is extensive nuclear fuel waste transportation already going on in Canada, particularly in Ontario. That includes transport on the Great Lakes, as a matter of fact. The commissioners of the Nuclear Safety Commission have said there's extensive transportation.

Mr. Brian Masse: Very quickly, because I know the chair is giving me a bit of extra time—

Some hon. members: Oh! Oh!

Mr. Brian Masse: We put up with your notice of motion in the last thing, and it took a long time, so you can give me this one last moment really quickly.

Is it possible that we could be an importer of nuclear waste with our current trade agreements? Is that a possibility, if we get the facility built?

• (1720)

Ms. Theresa McClenaghan: It's not only that, but we already are. The nuclear waste policy that was just released by Canada a couple of weeks ago reconfirms that. It's actually quite concerning, particularly with cobalt-60, which is in itself quite a dangerous type of nuclear waste.

Mr. Brian Masse: Thank you.

Thank you, Mr. Chair.

The Chair: I'll now turn to Mr. Vis and Mr. Généreux for five minutes.

Mr. Brad Vis (Mission—Matsqui—Fraser Canyon, CPC): Can you give me a mark at two and a half minutes?

The Chair: Yes, I will.

Mr. Brad Vis: Ms. McClenaghan, are you aware that Volkswagen was charged with 60 counts of breaching the Canadian Environmental Protection Act?

Ms. Theresa McClenaghan: I have a vague awareness of that, just from the media. I was not involved in that case.

Mr. Brad Vis: Under those charges, Volkswagen essentially lied to the Government of Canada about the emissions their cars were producing. They installed what are called defeat devices in approximately 130,000 diesel vehicles imported into Canada.

The Government of Canada has now embarked on a new agreement with Volkswagen, despite an order from this committee and the Parliament of Canada. The Department of Industry is in breach of that parliamentary order to provide us with a copy of that contract. Essentially, they lied to this committee that they would do so. We are now without information about how much money the Government of Canada has given Volkswagen.

That said, are you aware of any other car company that has breached the Environmental Protection Act in Canada?

Ms. Theresa McClenaghan: No, I'm not in a position to comment on that for this committee. It's not something I looked into to prepare for today.

Mr. Brad Vis: Do you think it's ironic that one of the only companies, if not the only company, in the history of Canada to lie to Canadians about emissions standards within the last seven years is going to receive billions of dollars from Canadian taxpayers to protect the environment after they were fined \$190 million for breaching Canadian laws in an unprecedented fashion—

Mr. Iqwinder Gaheer (Mississauga—Malton, Lib.): I have a point of order.

We passed the motion on Monday, and we agreed on a week's timeline.

Second, through you, I want to ask Mr. Vis about the relevance of this line of questioning, because the study is on electronics, metals and plastics recycling. I think his line of questioning is off topic.

The Chair: I'll let Mr. Vis pursue his line of questioning. However, I will note to Mr. Vis that to pretend that the government has lied when all parties agreed two days ago to ask for these documents, I think is a little rich.

I'll let you pursue with your—

Mr. Brad Vis: No, I wasn't referring to that motion. I was referring to the order put forward by the committee the first time, Mr. Chair. That order still stands. We didn't negate that order.

The Chair: I'm confident that in due time the documents will be produced, as the committee has requested no later than two days ago, but I take your point of order, Mr. Gaheer.

Mr. Vis, I'll let you pursue.... I think we're fairly liberal in how we interpret the text of this motion, so you can pursue your line of questioning.

Mr. Brad Vis: Mr. Chair, I'll just respond to the point of order before I go back to my questions. The point is that it is rich that the Government of Canada charged Volkswagen with 60 breaches of breaking the law and \$190 million, and now they're giving them billions of dollars to fight climate change when they were criminally prosecuted under the Canadian Environmental Protection Act.

As it relates to this study and to Mr. Gaheer's point of order, what is important to note, Mr. Chair, is that if we are going to operate in a circular economy, if we are going to develop critical minerals and if we are going to put the trust of Canadian taxpayers and their dollars into a company with a horrible environmental record, we have to be asking the tough questions. I've owned a Volkswagen car. I love driving them. It's a great product, but they broke the law in a very serious way. The Americans charged them billions of dollars, Mr. Chair.

Let me go back to my questioning. I thank you for your judicious interpretation of the Standing Orders, but I know I'm in line with them in my line of questioning.

Mr. Gaheer, I know you have a job to do, but I have a job to do, too, which is to stand up for Canadians and for making sure that taxpayer dollars are used effectively.

Thank you, Mr. Chair.

• (1725)

The Chair: Mr. Vis, you've asked me to tell you the two-minute-and-30 mark, and you've reached it. That is my job here.

Mr. Brad Vis: Thank you very much.

The Chair: Mr. Généreux, I'll recognize you for the rest of the time.

[Translation]

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

Ms. Seidel, you mentioned municipalities in Alberta earlier. I was a mayor in the past and, in the municipality where I was mayor, we set up what we in Quebec call brown bins for organic waste. You said that municipalities could do a great deal more than what they are currently doing, and you're entirely right.

What initiatives could you lead, or what measures should the federal government implement with municipalities, especially from coast to coast in Canada?

[English]

Dr. Christina Seidel: It's a very fair question on why municipalities can play such a key role in circular economy. The circular economy landscape is changing very quickly. One thing about municipalities is that not only do a lot of things happen at that level related to policy and even economic development, but also, as a government, they are quite nimble, especially compared to.... Not that higher levels of government are less nimble, but they really are. If you want things to happen quickly and you want things to move forward, municipalities are a good way to drive policy.

In our program, we brought together a lot of different departments, because one thing the circular economy does is to embrace a lot more than just the environment department. It embraces other departments as well. Things like procurement and energy all come together under a circular economy framework. Municipalities are one of the levels that can bring those departments together to look at ways to build circularity within that community.

[Translation]

Mr. Bernard Généreux: A community located in northern Quebec, in the Saint-Jérôme area, decided to tax cardboard cups and various disposable plastic items. The community collected \$75,000 thanks to that tax. It's reinvesting the money into community initiatives to improve their environment locally.

Do you think that the federal government's carbon tax, which is partly redistributed to the public, should be cancelled? Should the government give municipalities the opportunity to do more locally instead? Specifically, it could more legitimately tax initiatives that municipalities undertake in their own communities. Do you think the idea is worthwhile?

[English]

Dr. Christina Seidel: That's a great comment. I think it would be a very positive use of carbon funds, for sure, to put them back into communities to actually make a difference at the local level. I would certainly say that it probably would be positive but also one of the most effective ways of making change.

I will comment on the plastics too. That's a good example with regard to municipalities. This is happening across the country now, because Environment Canada, under CEPA, has made these single-use plastics regulations. What's happening now is that municipalities are starting to build on that and create their own local bylaws. That probably wouldn't have happened if it had not been for the federal government leading the charge on zero plastics. It's a good example of how different levels of government can work together to make a difference.

The Chair: Thank you very much.

Go ahead, Mr. Gaheer.

Mr. Iqwinder Gaheer: Thank you, Mr. Chair, and thank you to all the witnesses for their testimony to the committee so far.

Ms. Johnston-Billings, Bill C-34 has been referred to this committee in terms of how it will strengthen the ICA. Could you elaborate on how Bill C-34 and the ICA will support you in preventing the hostile takeover by Glencore?

• (1730)

Ms. Amber Johnston-Billings: At this point, our shareholder vote is on April 26, which is next Wednesday. That is a proposal for us to separate into two world-class companies that would both be headquartered in Canada. At the moment, it's in shareholders' hands as to whether that vote will go through. Obviously, we have the protection of our A-class shareholders, but we'll see how that vote goes next Wednesday.

To your question on Bill C-34, it's unlikely that we will see that updated in time, obviously, to play a role in this particular situation. At the same time, that's not what we're directly asking for, as I mentioned previously. We are in a position where we are highlighting to the government the issues in this potentially foreign takeover by a company that has a terrible track record in human rights, labour abuse and corruption. We would expect that the Government of Canada would look very closely at approving that transaction.

If it were to go ahead.... At the moment, we believe it will not. It has been unanimously voted down by our board on two occasions. At the moment, all of our defences are up in terms of this not happening, but if it were successful and it went through to a regulatory review and there were changes, that review could happen earlier. If that review did not allow those powers to change, then obviously it would still need to go through a fairly extensive review in Canada under the ICA.

Thanks.

Mr. Iqwinder Gaheer: Let's say in a hypothetical world Bill C-34 was currently enacted. Would you like to comment on how it could potentially help in this current situation with Glencore?

Ms. Amber Johnston-Billings: I don't think I can comment on that, but thank you for the question.

Mr. Iqwinder Gaheer: No, definitely.

I also wanted to ask about your critical minerals strategy. Critical minerals are obviously important in electrical vehicle batteries, energy information and technology, and defence applications. Do you have any comments on the initiatives Canada has put in place specifically to reuse critical minerals and e-waste?

Ms. Amber Johnston-Billings: I might pass that question to Thompson Hickey, who leads the Trail smelter. I'll comment on the first part of the question around the Government of Canada.

I would just like to say that the budget was fantastic in terms of providing a whole number of different areas that will help us develop critical minerals, including the recycling piece but also the extraction and processing. There are a number of tax incentives in there that will be very helpful in enabling us to develop, process and explore for more critical minerals.

Thompson, I'll pass it to you for the second part of the question with regard to how we can develop recycling facilities and use federal government support to recycle more EVs.

Mr. Thompson Hickey: I would echo Amber's comments on the framework that Canada is proposing around critical minerals. It really gives impetus to companies like ours to push forward.

As I mentioned, at Teck we already produce about seven of the 31 critical minerals. In terms of investing further to broaden that suite of critical minerals, it is doable from a technical perspective. There are sometimes some challenges from an economic perspective around the circular economy. Any support that the federal government, through the various ministries, could offer to move this forward, certainly on some of the nascent businesses that are developing around the recycling of EV batteries.... This is a very new and developing industry, and it's not really clear where things are tracking, so anything around frameworks would help on the critical minerals.

We appreciate the support that the government has tabled so far.

Mr. Iqwinder Gaheer: That's great—thank you. Thank you for your support for the budget as well.

Are there further steps we can take to increase the recovery of critical minerals from e-waste, especially in high-value minerals like iron, copper and gold?

Mr. Thompson Hickey: I can try that as well.

Currently in Canada, there is recycling of e-waste. At Teck Metals, we looked into developing processing around it. We found it not to be workable. It's really fundamentally around the technology that you can employ.

The subject of Glencore came up earlier. They have facilities in Canada that recycle at the moment.

In terms of further recycling of e-waste, the regulatory framework that was talked about before in terms of exporting e-waste is obviously not helpful for Canada. If those factors can be strengthened, that will be great for Canada.

Overall, in Canada we have the technical capability to further that industry. It does typically take investment, but these are not technical challenges that cannot be overcome.

• (1735)

Mr. Iqwinder Gaheer: That's great. Thank you.

The Chair: Thank you very much, and thank you, Mr. Gaheer.

Before we continue with questions, I'd like to welcome Madam Dawn Madahbee Leach, who is the chairperson of the National Indigenous Economic Development Board.

Welcome to this committee, and thanks for joining us. Before we resume questioning, I'd like for us to have the opportunity to hear your opening remarks.

The floor is yours. Welcome, again.

Ms. Dawn Madahbee Leach (Chairperson, National Indigenous Economic Development Board): *Meegwetch.*

[*Witness spoke in Ojibwa*]

[*English*]

I just stated my spirit name in my language—Biidaabin Dawn—and said that I'm from beautiful Manitoulin Island and the Aundeck Omni Kaning First Nation.

I want to say *meegwetch* for inviting me to speak with you today about indigenous people's participation and involvement in the development and support of the electronics, metals and plastics recycling industry. As mentioned, I'm the chair of the National Indigenous Economic Development Board. I work alongside first nation, Métis and Inuit economic and community business leaders from across Canada.

Our board was put in place to advise the whole of the federal government on indigenous economic development. One of the things we have been working on is the “National Indigenous Economic Strategy for Canada”, which was released back in June 2022. That strategy talks about how to engage indigenous people in Canada's economy. It's a great blueprint for the government, corporate Canada, institutions, our people and all Canadians to use as a guide towards economic reconciliation.

When we look at this type of work, we feel that the engagement of our communities and businesses in this industry is something we would welcome. It relates to our responsibility as the stewards of the land. Recycling, reusing and cleaning up waste are very important to us. There's a need to produce better data for, and understanding of, indigenous-specific engagement in recycling and environmental cleanup. We must also use baseline studies, including traditional knowledge studies, to better understand the components of the environment that are valuable to indigenous communities.

Renewing, recycling and reusing have cultural significance for many indigenous communities. Often embedded within traditional knowledge is the concept of a collective responsibility to respect and maintain the earth, and to use only that which is needed for sustenance. Environmental sustainability and ecological integrity must be included in all aspects of electronics, metals and plastics recycling. This cannot be done without the input and involvement of indigenous communities.

We must recognize the important role of the environment in the economic, social and cultural well-being of indigenous peoples, as well as the importance of respecting, preserving and maintaining the knowledge and practices of indigenous peoples that contribute to the conservation of the environment.

There is also an opportunity for increasing indigenous procurement opportunities within this industry. As we know, Canada established a 5% set-aside for indigenous businesses in regard to all government contracts. Despite this commitment to increasing indigenous businesses' access to federal procurement opportunities, year over year, indigenous businesses have received less than 1% of the value of contracts for tendering goods and services to the Government of Canada.

The national indigenous economic strategy I referred to has a call to economic prosperity—number 54—that speaks to this responsibility of procuring indigenous businesses and the services of indigenous companies in the cleanup of contaminated sites. As we know, indigenous communities have been disproportionately affected by pollution and contamination caused by activities that have environmentally hazardous outcomes, based on their location.

• (1740)

For example, Membertou, a Mi'kmaq community located on Unama'ki, Cape Breton Island, had experienced runoff of toxic chemicals from the Sydney tar ponds hazardous waste facility. They discovered polycyclic aromatic hydrocarbons in the lobster, and extensive consultations and research resulted in the decision to begin cleanup operations in 2009. A contract to operate and maintain a material processing facility during the Sydney tar ponds and coke ovens cleanup was awarded to a local Indigenous company.

I'd like to just share a couple more recommendations.

In areas of the country where the indigenous population is more than 5%, the target for the total value of federal contracts awarded to indigenous businesses should also be proportionally higher.

Training on indigenous cultural awareness for procurement officials should be mandatory, especially in this industry.

Finally, we recommend that the electronics, metal and recycling industry also institute indigenous procurement targets and report annually on whether those targets are being met.

The Truth and Reconciliation Commission was also clear that establishing constructive, mutually beneficial relationships and partnerships with indigenous communities would contribute to community economic growth, improve community health and well-being, and ensure environmental sustainability, all of which will ultimately benefit indigenous people and all Canadians.

I just want to say that I heard the discussion on critical minerals and I think there's some good potential for some of the recycling. I know the technology might not be up to par yet for doing that critical minerals recycling, but we'd really like to see if there are business opportunities to become involved, because as stewards of the land we want to have a larger role in making sure we do proper recycling and reusing of waste. We think that is important, rather than just having it stored on our traditional territories.

Thank you for this opportunity to speak today.

The Chair: Thank you very much, Ms. Madahbee Leach. You finished just in time.

Colleagues, as expected, the bells are ringing, which means that a vote has been called in the House. I require unanimous consent to pursue our meeting a little further. I would suggest that at 5:55 we adjourn for members to reach the House so that we can vote.

Do I have unanimous consent to continue until 5:55?

Some hon. members: Agreed.

The Chair: That's great. Thank you very much.

[*Translation*]

We will therefore continue the conversation.

Mr. Lemire, you have the floor.

Mr. Sébastien Lemire: Thank you, Mr. Chair.

Ms. Leach, *kwe*. I say *meegwetch* for your testimony.

The mining industry and indigenous communities have worked together on certain projects in northern Quebec and northern Canada.

Can you tell us about the spirit of collaboration, in terms of economic development and environmental development, between industry and first nations?

Do you believe it's important to process and recycle metals close to the locations where natural resources are developed or extracted?

• (1745)

[English]

Ms. Dawn Madahbee Leach: Well, I think that each case would have to be assessed individually on what can be stored. The world doesn't have an unlimited source of copper or lithium. We have only a limited availability of critical minerals. Canada has a lot, but you can't just take them out. We have to start looking at the possibilities of recycling minerals, even if it's a minor amount that we have to recycle for now. We need to look at the best ways to do that.

I know that just taking from the land the important critical minerals that the world needs today is part of the solution to meeting the needs of people globally, but the other side of things is how we can do this sustainably. How can we better recycle what we take out of the earth?

We see lots of landfill sites. We see inground storage of waste where there are still mineral components in that storage. We need to look at this. I think there are business opportunities here to do that, but I think industry has a responsibility to help with that, too. There needs to be a plan beyond the extraction of the resources. The plan needs to include how you reuse and recycle all the minerals out of the waste that exists.

There are really good examples around the world in which waste is already being recycled and they are looking at piles of waste. I can't recall all of the names, but I've heard of a couple of examples, and I believe there are examples in Alaska, where they're doing this already. Other parts of the world are looking at this. Lots of the multinational resource development companies are taking this very seriously and looking at ways they can start to become involved in the solution of recycling.

Mr. Sébastien Lemire: *Meegwetch.*

[Translation]

The Chair: Thank you very much, Mr. Lemire and Ms. Leach.

Mr. Masse, you now have the floor.

[English]

Mr. Brian Masse: Thank you, Mr. Chair.

Meegwetch, Ms. Leach.

With regard to the 5% for procurement that you mentioned—and you said you're only reaching the 1% threshold—can you tell us if there are any expectations? Is there a plan in place to raise that to the next year, or is it just a matter of, oh well, we missed it again this year, so hopefully we'll make it next year? Can you bank that set-aside for a following year? That would be another logical plan, for over five to 10 years, to raise it to that threshold. It just seems to me like a hollow promise if it's 5%, and then we don't do much to make it to 5%, and we hang about, lurking around the 1% to 4%.

I'm from Windsor, Ontario. I'm very familiar with the United States. They actually have hard set-aside numbers for large infrastructure projects. We finally got some money for my riding. The Gordie Howe bridge has a community investment fund. It was a very modest amount, but anyway it was the first time it was done.

I'm almost out of time. Lastly, tell us what happens when you miss the thresholds. What's the next step then?

Ms. Dawn Madahbee Leach: Well, this time around, when the target was set, there was a lot of work in co-developing. Indigenous organizations got together to help the government meet the targets. Some of the things we're working on right now are things like an indigenous-led procurement institute that will host a certified indigenous business directory, and that business directory will be based on a definition of indigenous businesses that we've developed as indigenous people.

We feel that we want to make sure that indigenous businesses are truly benefiting from the procurement targets and the set-asides, because there is an issue right now. Sometimes, if there's a \$10-million contract and a partnership with an indigenous company, but that company is only making \$1 million, they check the whole \$10-million contract as being part of the set-aside.

We're working with Public Services and Procurement Canada, the Treasury Board and Indigenous Services Canada to develop what the criteria are going to be and how they're going to be used. This new indigenous-led procurement institute will be involved in measuring the progress.

We're looking forward to a report coming out later this year on how the government has done in meeting those targets. I believe it's due in the fall, but right now that report won't be using the definition we have of indigenous people. It will probably still be measuring the \$10-million contract as opposed to the \$1 million that might be going to indigenous business, but as we go further, there is a deadline to meet this target in 2025. It's really important. I think doing this work through a co-development process with indigenous people is going to actually be a better process going forward.

• (1750)

Mr. Brian Masse: Thank you.

The Chair: Thank you, Mr. Masse.

We have five more minutes, colleagues. Instead of going to a formal round, I will open the floor for any questions you might have.

I recognize Mr. Williams.

Mr. Ryan Williams (Bay of Quinte, CPC): Thank you, Mr. Chair.

Ms. Seidel, when we talk about the circular economy, it seems like B.C. is really leading in Canada—as well as Quebec.

We talk about the producer having the responsibility to look at the recycling material, to receive the recycling material at the end of its life, and to reuse it. I think we have talked about something called “out waste”. The example we’ve had before is that if you go to the grocery store, in Ontario right now you get a paper bag, which is great, but then in it you put your bread, which is wrapped in plastic with a plastic tag. You put your jug of milk in the bag, which is plastic. You put your sandwich, which is wrapped in plastic, into the box.

Obviously, we look at single-use plastics, but we have bigger issues. Could you please tell me, of this “out waste”, as we’re calling it, what are the substitutes going to be? What are people going to see in their paper grocery bag going forward, if we do it correctly?

Dr. Christina Seidel: The important thing is that we don’t necessarily look for substitutes, but instead for ways to reduce material. That’s the piece we always miss. We think that if we can recycle something, it’s okay if we produce it, but instead, we need to look at the system.

Shopping bags are a perfect example. The best option for shopping bags—without question—is reusable bags. We should all be using reusable bags instead of worrying about whether we can recycle the single-use shopping bags we’re using. We should not have single-use items unless we absolutely have to. We need to wean ourselves off that crazy thing that’s sold on the basis of convenience and that is actually just a bad idea from the start.

Again, we need to start thinking from square one about how we get the service we want without creating waste. There are lots of examples of how we can do that, but instead we so often look at the easiest way instead of the best way.

The Chair: Thank you, Mr. Williams. I’ll have to cut you off because I see that Mr. Erskine-Smith also has a question.

Nate, the floor is yours.

Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.): Thanks. This is also for Ms. Seidel.

You mentioned extended producer responsibility. That’s a core function for the province to tackle in a primary way. As we look at

the federal recycling activity and action, there is a strategy in place to reduce plastic pollution, of course, but again, much of this is interjurisdictional.

Dr. Christina Seidel: Yes.

Mr. Nathaniel Erskine-Smith: You mentioned the role of municipal governments. When we look at electronics waste, at metals waste, what is the role that the federal government should be playing here, over and above what it’s currently doing?

Dr. Christina Seidel: This again is where we get into the jurisdictional issue, because extended producer responsibility, which is really one of the key answers to electronic waste, is a provincial jurisdiction. The regulations end up being provincial, but there is a move through CCME to try to make those EPR regulations more consistent across the country. That’s a good start, because if we get more economies of scale, then we are more likely to get the outcomes we want.

Again, we struggle with this in Canada because of the jurisdictional issues, but as much as possible we need to make that consistent across the country.

The Chair: Thank you very much.

It’s too short, Mr. Williams, so we’ll—

Mr. Ryan Williams: You already answered my question. You’re in my head.

The Chair: That’s perfect. I don’t know if I would wish that on you, but....

Some hon. members: Oh, oh!

The Chair: I want to thank all of our witnesses for taking the time to join us this afternoon. It is much appreciated. I apologize that we have to end this meeting earlier.

On that note, the meeting is adjourned.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :
<https://www.noscommunes.ca>