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Standing Committee on Natural Resources

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• (1535)

[English]

The Chair (Mr. George Chahal (Calgary Skyview, Lib.)): I call this meeting to order.

Welcome to meeting number 81 of the House of Commons Standing Committee on Natural Resources.

Pursuant to the order of reference of Tuesday, October 17, 2023, and the motion of Wednesday, December 13, 2023, the committee is commencing consideration of Bill C-49, an act to amend the Canada–Newfoundland and Labrador Atlantic Accord Implementation Act and the Canada–Nova Scotia Offshore Petroleum Resources Accord Implementation Act and to make consequential amendments to other acts.

Regarding the committee's study of Bill C-49, I would like to remind members that all amendments, including subamendments, must be submitted in writing and sent to our committee clerk. Should you wish to propose amendments during clause-by-clause consideration, please send the legislative counsel, Marie Danik, your written instructions as soon as possible. She will ensure that amendments are drafted in the proper legal format.

Since today's meeting is taking place in a hybrid format, I would like to make a few comments for the benefit of members and witnesses.

Please wait until I recognize you by name before speaking. For those participating by video conference, click on the microphone icon to activate your mike and please mute yourself when you are not speaking.

There is interpretation. For those on Zoom, you have the choice at the bottom of your screen of floor, English or French. For those in the room, you can use the earpiece and select the desired channel.

Although the room is equipped with a powerful audio system, feedback events can occur. These can be extremely harmful to interpreters and cause serious injuries. The most common cause of sound feedback is an earpiece worn too close to a microphone. We therefore ask all participants to exercise a high degree of caution when handling the earpieces, especially when your microphone or your neighbour's microphone is turned on. In order to prevent incidents and safeguard the hearing health of interpreters, I invite participants to ensure that they speak into the microphone into which their headset is plugged and to avoid manipulating the earbuds by placing them on the table away from the microphone when they are not in use.

I remind you that all comments should be addressed through the chair. Additionally, screenshots or photos of your screen are not permitted.

With us today, we welcome the Honourable Jonathan Wilkinson, Minister of Energy and Natural Resources. With Minister Wilkinson we have members from the Department of Natural Resources: Michael Vandergrift, deputy minister; Erin O'Brien, assistant deputy minister, fuels sector; Abigail Lixfeld, senior director, renewable and electrical energy division, energy systems sector; and Annette Tobin, director, offshore management division, fuels sector.

Mr. Wilkinson, the floor is yours for five minutes. Please go ahead.

Hon. Jonathan Wilkinson (Minister of Energy and Natural Resources): Mr. Chair, thank you for the invitation to be here to answer some of the committee's questions on Bill C-49.

I would like to begin by acknowledging that we are gathered on the unceded traditional territories of the Algonquin Anishinabe nation.

The legislation in question is an important one for Atlantic Canada's economic future and our country's future, as we work to reduce emissions, build out our electrical grid, create sustainable jobs, supply our allies with secure long-term sources of energy and compete in global energy markets.

• (1540)

[Translation]

It creates the legislative framework for moving the offshore wind market forward in Canada so that we can participate in a trillion-dollar global market that will grow rapidly.

We jointly developed this bill with the governments of Nova Scotia and Newfoundland and Labrador and engaged in consultation with stakeholders including industry, fishers, energy workers and conservationists.

[English]

We have done this because businesses and governments around the world are moving rapidly to seize the tremendous economic opportunities that will come from a transition to a low-carbon future, influenced in no small part by the rapid pace of international financial investments seeking low-emission products and sectors in order to maximize long-term gains.

The executive director of the International Energy Agency said:

The transition to clean energy is happening worldwide and it's unstoppable. It's not a question of "if", it's just a matter of "how soon"—and the sooner the better for all of us.

Governments, companies and investors need to get behind clean energy transitions rather than hindering them.

Colleagues, today this committee has been entrusted with an opportunity to help Canada build a vital piece of our energy future: an offshore wind industry. At the present moment, 45% of all offshore wind production globally is in China. Among friendly countries, we are seeing large-scale deployment in the North Sea and more recently along the U.S. east coast, which the DOE estimates will attract \$12 billion in direct investment annually.

Presently, there are over 40 projects offshore in the U.S. and hundreds more globally that are under way. There is extensive deployment occurring in Taiwan, which will be installing over 700 turbines in the Taiwan Strait by 2025. European countries, including the Netherlands, Denmark and the United Kingdom, have over 300 projects in development. They brought online 4.2 gigawatts of new regional capacity in 2023 and have raised an additional 30 billion euros of investment for eight additional wind farms.

The global race for investment and opportunity is well under way and Canada must not be left behind. Canada's east coast has some of the world's greatest wind resources, which is why companies around the world have expressed interest in developing clean energy in Atlantic Canada's offshore. It is why Nova Scotia and Newfoundland and Labrador's governments have been very clear that they wish to seize this opportunity. They have partnered with the federal government to do so.

Premier Furey stated, "Newfoundland and Labrador is perfectly positioned in the green energy transition.... We continue to support the Government of Canada on Bill C-49 and urge the other federal parties to do the same."

Nova Scotia Premier Tim Houston stated, "Bill C-49 is a necessary first step in unlocking our energy potential. There will be many steps along the road but we are hopeful that Bill C-49 passes so we can get started."

[Translation]

Our provincial partners understand the urgency of the matter and they know that the global offshore wind industry is a huge economic opportunity. It represents a generational economic opportunity to generate huge amounts of affordable clean power, while creating thousands of good, sustainable jobs in coastal communities across these provinces.

[English]

Governments have actively engaged with fishers on this legislation and associated regulations, and we are confident that the development of offshore renewables will create opportunity without compromising the economic prosperity of fishing communities.

The Public Policy Forum has said that just one area off Nova Scotia could power 6.5 million homes and create 30,000 construction jobs. To seize this opportunity, we simply must pass Bill C-49. In fact, in order to release their first call for bids in pursuit of their

target of licensing five gigawatts of offshore wind by 2030, Nova Scotia needs the Parliament of Canada to pass this legislation swiftly.

Let me provide a brief overview of what the amendments under Bill C-49 would do.

They would principally expand the two boards' mandates to include the regulation of offshore renewable energy and modernize land tenure, including consultations with indigenous peoples and making accommodations that support treaty and indigenous rights.

[Translation]

They would also ensure that the offshore boards are able to proceed in alignment to keep Canada's international marine conservation and biodiversity commitments through modernized consultation and regulatory tools.

Finally, they would align the accord acts with Canada's Impact Assessment Act.

[English]

This is essential legislation that the Government of Canada has carefully developed with our provincial partners at every stage of the process.

The Conservative Party has a choice in front of it: drop opposition and help Canada create thousands of jobs and economic opportunities, or continue to delay, essentially saying you wish to leave this opportunity to Europe, China and others. Drop opposition and come into line with the governments of Newfoundland and Labrador and Nova Scotia, including Nova Scotia's Conservative premier. Stop the increasing drift of the Conservative Party into climate denialism. You should end the approach you have adopted towards climate change, which is simply to let the planet burn. It will leave Canada far behind in economic competitiveness and growth.

I look forward to discussing Bill C-49 further with you today.

● (1545)

The Chair: Thank you, Minister Wilkinson, for your opening remarks.

We will now proceed to our rounds of questioning. We'll start with Shannon Stubbs from the Conservative Party for six minutes.

Go ahead. The floor is yours.

Mrs. Shannon Stubbs (Lakeland, CPC): Thank you, Chair. I appreciate that.

Minister, happy new year and thanks for being here.

On what date will your government bring forward legislation to fix Bill C-69, which has been unconstitutional for half a decade?

Hon. Jonathan Wilkinson: When you say Bill C-69, which of the three laws are you referring to?

Mrs. Shannon Stubbs: On what date will you bring forward legislation to fix your half-a-decade-old, unconstitutional Impact Assessment Act?

Hon. Jonathan Wilkinson: Okay, it's the Impact Assessment Act. As we said, we will be bringing forward targeted amendments within the next number of months to address—

Mrs. Shannon Stubbs: The Supreme Court 108 days ago ruled that the Impact Assessment Act is largely unconstitutional, so on what date?

Hon. Jonathan Wilkinson: No, that's not what the Supreme Court said.

Mrs. Shannon Stubbs: It absolutely did. If you'd like me to read every clause and every section that it declared unconstitutional—

Hon. Jonathan Wilkinson: What we have said is we respect the decision of the Supreme Court, and we will be bringing forward targeted amendments in the next few months.

Mrs. Shannon Stubbs: On what date is that?

Hon. Jonathan Wilkinson: It will be in the next few months.

Mrs. Shannon Stubbs: Here's why I'm asking you that question, Minister. First of all, the Supreme Court ruling that major sections of Bill C-69 were largely unconstitutional was 108 days ago. As the Minister of Natural Resources, it's actually shocking that you have not yet fixed the legislation. It is the backbone for regulatory review and decision-making for investments in traditional oil and gas development and in alternative renewable energy development. Then there's the whole swath of your constitutional overreach in that bill. Conservatives warned you that Bill C-69 would be unconstitutional in all the factors the Supreme Court of Canada ruled on, which you haven't yet fixed. It's shocking that it's 108 days ago, and you still can only say it's in a few months.

Hon. Jonathan Wilkinson: Is there a question in there, or is that just a statement?

Mrs. Shannon Stubbs: There sure is. This is why I'm asking.

Here's Bill C-49. I don't know if you've read it, but I hope you have. All of these yellow tabs are sections from Bill C-69—every single one. Look at how many there are, Minister. You're coming here telling us members of Parliament that we should fast-track and pass this bill when it's been 108 days and you still can't give a concrete answer as to when you're bringing in legislation to fix the mess that you created. Now you want members of Parliament to abandon their due diligence. You want Atlantic members of Parliament in the official opposition to abandon their responsibilities to their constituents, to the people of Nova Scotia and Newfoundland and Labrador, which they will not do. It's their right to do due diligence.

You want us to pass a bill that is full of sections that the Supreme Court of Canada has declared unconstitutional. How can you justify that?

Hon. Jonathan Wilkinson: I'm sure you have read the bill. Bill C-49 simply clarifies how the offshore boards will work with the Impact Assessment Agency. It does not concern the decision-making framework that was the subject of the court's opinion.

We are confident that the entirety of Bill C-49 can proceed. Any future changes made to the Impact Assessment Act can be reflected in the accord acts, when necessary, to ensure alignment across the statute.

Mrs. Shannon Stubbs: It's interesting you would say that, because of course the sections of Bill C-69 that have been declared unconstitutional, which are also the sections in Bill C-49, have to do with roles and responsibility and timelines of decision-making. This is also why we need to do our due diligence on your Bill C-49, because what it does is triple the timeline for future regulatory decisions on offshore wind development.

The reality, after eight years of this government, is that you have been hell-bent on killing the energy sector, with the prairie provinces as your top target. However, that has impacted every province of the country, including Newfoundland and Labrador, which has a higher percentage of their GDP in oil and gas than Alberta does.

The truth about Bill C-69 is that it will end offshore petroleum drilling, which certainly is your intention. That's what you love to fly around the world announcing. Meanwhile, this bill, as written, will hinder and hamper investment in alternative renewable offshore wind development because that requires certainty, predictability, fairness and efficient timelines. You want this bill to be passed, fast-tracked, with all of the timelines, all of the red tape and all the inefficiencies from Bill C-69 in it, and you won't even give a date for when you're going to fix it.

Hon. Jonathan Wilkinson: With all due respect, you say that it's tripling timelines. There is no regulatory structure in place to enable the development of offshore wind. That's the whole point of the bill. I would also say that this was developed in lockstep with the governments of Newfoundland and Labrador and Nova Scotia, including the Conservative Premier of Nova Scotia. It is—

• (1550)

Mrs. Shannon Stubbs: The tripling I'm talking about, Minister—

Hon. Jonathan Wilkinson: —a bill that will enable enormous economic opportunities for those provinces—

Mrs. Shannon Stubbs: I can explain the tripling in the bill, if you would like.

Ms. Julie Dabrusin (Toronto—Danforth, Lib.): I have a point of order.

The Chair: We have a point of order from Ms. Dabrusin.

Ms. Dabrusin, go ahead, please.

Ms. Julie Dabrusin: I'm just going to ask that time is given so we can hear the answers, because right now Mrs. Stubbs keeps talking over the minister and it's impossible to hear the answers.

The Chair: Colleagues, please allow the minister a reasonable amount of time to respond to your question without interrupting him. We can have a smooth meeting if we all stick by those rules.

Mrs. Shannon Stubbs: Great. I will rephrase my question, then.

The Chair: Minister Wilkinson was in the middle of answering, Mrs. Stubbs.

Mrs. Shannon Stubbs: Under the current legislation, the federal minister has 30 days to respond to a recommendation from the regulator on offshore oil development. Under your Bill C-49, Minister—and it's good that you have the provincial minister included and we support that—that would be 90 days. That's a tripling of the timeline. Not only that, but the same powers exist there as exist in Bill C-69 for the timeline to be extended for any reason, at any time, at the minister's discretion.

That uncertainty is exactly what has killed foreign investment in Canada and energy development in Canada from traditional sources, and it's exactly the kind of approach that will also kill renewable, alternative and wind offshore opportunities for Atlantic Canadians.

Hon. Jonathan Wilkinson: First of all, this is focused on renewable energy, not on oil and gas development, and—

Mrs. Shannon Stubbs: I just said renewable and alternative energy.

Hon. Jonathan Wilkinson:—this regulatory structure will put in place something the provinces have agreed to that will allow us to expedite the work being done to ensure that Canada is keeping up in the world in the generation of offshore wind. This is an important step forward.

I will tell you that Premier Houston and Premier Furey are fully supportive of this legislation, because it's good legislation that's going to actually create jobs and economic opportunity for both provinces.

Mrs. Shannon Stubbs: Well, forgive Atlantic Canadians for being skeptical and asking you the good questions that they must, since of course the track record of the government is killing a tidal offshore wind project off the Atlantic Canadian coast. Isn't that right?

Hon. Jonathan Wilkinson: That is in a bay. It's not offshore. There is a distinction. It is under the jurisdiction of the province, not of the federal government. It doesn't relate in any way to the offshore.

Certainly, tidal energy is an interesting area where there is ongoing development. We've set up a task force to work with DFO—

Mrs. Shannon Stubbs: The abandonment of these projects comes back to the same problem, which is that they can't see through your red tape mess.

Hon. Jonathan Wilkinson:—and the Nova Scotia government to find pathways through which you can have development of tidal power in a manner that is consistent with the protection of fish and fish habitat.

The Chair: Thank you, Minister Wilkinson, for answering Mrs. Stubbs' questions. Time is up.

We will now go to Ms. Jones from the Liberal Party of Canada for six minutes.

Ms. Jones, the floor is yours.

Ms. Yvonne Jones (Labrador, Lib.): Thank you, Mr. Chair.

Thank you, Minister, and your team for being here today.

We are starting from a new preface in offshore wind in Atlantic Canada, and it is important that we work with and listen to the provinces so that we get this right moving forward.

My questions are going to be directly related to Bill C-49, which is the bill we're dealing with.

I do agree with one thing my colleague said, which is that uncertainty will kill development. That applies in Atlantic Canada as well. I really hope the Conservatives can find a way to support this bill and support offshore wind in Newfoundland and Labrador and in Nova Scotia, because it is what those provinces and people are asking for.

We know that both Newfoundland and Labrador and Nova Scotia have led the way in Canada's offshore oil economy. It has created good jobs and a strong economy in partnership with Ottawa and Canada. The Atlantic Accord provided the legislative strength that all parties needed to succeed.

Now they're ready to develop Canada's first offshore wind project. I am very excited about it, as I know the people in my province are. We know that offshore wind will create good jobs, will reduce emissions and will build a new green economy for the future.

Minister, can you tell us how offshore wind and the important changes we're making today under Bill C-49 can contribute to Canada's net-zero goals and the electrification and decarbonization of Canada's economy, all the while creating opportunities that we need in Atlantic Canada, especially in Nova Scotia and Newfoundland and Labrador?

Hon. Jonathan Wilkinson: Thank you for the question.

Certainly there are enormous economic opportunities. The Public Policy Forum estimates that just one large-scale project would create 30,000 construction jobs and thousands of ongoing direct operating jobs. It would create enough power that we would be able to service most of the homes in either of the two provinces.

It is important from a decarbonization perspective. In the case of Nova Scotia, it's important to decarbonize the grid. It's a bit less so in Newfoundland and Labrador, where the grid is very clean already.

As we look to decarbonize industries, electrify transportation and do a whole range of things, it will be very important for us to have access to additional power. It is also going to create a domestic and export hydrogen industry. We are working very closely with our friends in Germany to enable exactly that.

● (1555)

Ms. Yvonne Jones: If I could follow up, I'd like to ask a question around clean hydrogen.

How will the legislation we're looking at now contribute to the clean hydrogen industry that we are trying to kick-start in Newfoundland and Labrador and export to the rest of the world?

Hon. Jonathan Wilkinson: It's directly related. Both of the provinces' hydrogen strategies focus on onshore wind development in the short term for the purpose of producing hydrogen, but their ability to scale the industry requires the development of the offshore, with large-scale facilities in the offshore.

For both of those provinces to succeed in their aspirations of building out a large-scale hydrogen industry that can service the domestic consumption required for hydrogen and that can be a major exporter, particularly to our friends in Europe, offshore wind is absolutely critical.

Ms. Yvonne Jones: I have one more question.

You mentioned already that you have worked with the governments in Newfoundland and Labrador and Nova Scotia to draft this legislation. I think it's important that you share with the committee why you felt that was necessary, what the feedback has been from both of those provinces around Bill C-49 and how important it is to the work they're doing.

Hon. Jonathan Wilkinson: It's critically important because the Atlantic Accord is a joint undertaking on the part of the federal government and both of the provinces to do work relating to the offshore together. It is a very interesting piece of architecture for federal-provincial co-operation.

The provinces asked us to work on this because they want to see the development of a large-scale industry on a go-forward basis. Both governments have been enormously engaged and enormously co-operative. Every word in this bill has been agreed upon by the province of Newfoundland and Labrador and the province of Nova Scotia.

Ms. Yvonne Jones: I have just one final question.

Can you share with us why Newfoundland and Labrador and Nova Scotia want to see this done as quickly as possible? That's my understanding, and I think that was alluded to by my colleague opposite. Obviously they're driving the agenda here.

Do you want to share with us why the timing around it is so critically important for them?

Hon. Jonathan Wilkinson: As I said, the world is moving. Canada is not the only country seeking to seize the economic op-

portunities that can be enabled through a transition to a low-carbon future. We see significant offshore development going on in Europe. We see significant offshore development going on in the United States, Taiwan and a range of other countries.

If Canada is to be as successful as it hopes to be and the provinces wish to be, we need to move expeditiously. We need to get into a position where we can give comfort to the Germans that we will be able to scale the supply of hydrogen they will need within the relevant time frame.

I would also say that industries here in Canada are increasingly having to account for the carbon embedded in the final products they sell. For us, it is critically important to find pathways through which we can ensure there is abundant clean power available in every province and territory in this country.

The Chair: Thank you, Minister Wilkinson.

We'll now go to Monsieur Simard from the Bloc Québécois for six minutes.

The floor is yours, sir.

[*Translation*]

Mr. Mario Simard: Thank you, Mr. Chair.

Thank you very much for being here, Mr. Minister.

Earlier, I listened to your opening statement in which you said that the transition was under way and that it was unstoppable. I think we can agree on that. Unlike my Conservative colleagues, we agree with you about the energy transition.

As a result, I think the energy transition means that we're moving from carbon-intensive energy sources to less carbon-intensive energy sources.

Would you agree with me on that? That's how things are looking, right?

● (1600)

Hon. Jonathan Wilkinson: Yes.

Mr. Mario Simard: So the energy transition will bring about a gradual decline in the production of fossil energy.

When I look at Bill C-49, I'm still seeing an administrative process to approve new oil and gas projects.

Don't you feel there's something wrong with that picture?

Hon. Jonathan Wilkinson: No, not at all. The amendments in this bill have to do with renewable energy.

As you know, we will need oil and gas during the transition. Those energy sources will be reduced during the transition.

Canada is a major exporter of oil and gas, but now and in the future, we're going to develop renewable energy sources such as offshore wind turbines.

Mr. Mario Simard: Yes. To me that sounds like greenwashing, and I'll tell you why.

The word “petroleum” is being removed from the title of the act so it refers only to offshore energy. At the same time, it's still possible to issue permits for new oil and gas projects. In my opinion, there's something wrong with this picture.

Year after year, when I look at the reports being published, particularly by Oil Change International, I see that you're one of the lowest investors in clean energy in the G7. In contrast, you're one of the biggest investors in non-renewable energy, in oil and gas.

Isn't that a pretty significant contradiction?

Hon. Jonathan Wilkinson: The government has every confidence that the regulatory agencies will fulfill their current and future mandates. It's important that we rely on their expertise to manage renewable energy. We don't want to set up other regulatory agencies, which would cost money and take time, so we're using existing agencies and expertise.

Mr. Mario Simard: Mr. Wilkinson, let's say we were having a beer by a fireplace and I asked you what this bill is all about. What would you say?

In my opinion, it's all about offshore drilling, much more so than clean energy sources like wind power.

Hon. Jonathan Wilkinson: The regulatory agencies are of course working on oil and gas projects, but this bill seeks to expand their mandate so that they also work on renewable energy.

Mr. Mario Simard: Precisely, the bill specifies that a certain board's mandate is to facilitate oil and gas exploration and development. It's part of the mandates of—

Hon. Jonathan Wilkinson: That's already part of its mandate.

Mr. Mario Simard: Yes, and it remains part of it in this bill. So I'm hard pressed to see how this bill can be seen as a step toward the energy transition. As far as I'm concerned, there's no energy transition in this bill.

I think wind is being used to do a bit of greenwashing. I don't want to use the word “hypocritical”, but let's say I find it a bit rich to want to remove the word “petroleum” from the bill, because it specifically applies to oil and gas projects when it comes to energy. I find that unfortunate. I feel it's greenwashing, in a way.

Do you agree with me?

Hon. Jonathan Wilkinson: No, I don't agree.

We want to tap into the current offshore regulatory agency's expertise and add some elements related to renewable energy.

Mr. Mario Simard: In concrete terms, how many wind energy projects are currently under way?

Hon. Jonathan Wilkinson: There are a few projects in Nova Scotia and Newfoundland and Labrador, but we need to get the regulatory framework in place to have offshore wind farms. That's exactly why we're here.

• (1605)

Mr. Mario Simard: The previous version of the bill put the brakes on developing wind farm projects. That's what I understand from what you're telling me.

Hon. Jonathan Wilkinson: Yes. This measure is designed precisely to create an offshore wind industry.

Mr. Mario Simard: To your knowledge, have any wind energy project proponents come forward thus far?

Hon. Jonathan Wilkinson: Yes, there have been many. The most advanced projects are probably EverWind and World Energy, but there are others in both provinces as well, of course.

Mr. Mario Simard: If we set a ratio—

[English]

The Chair: I'm sorry, Mr. Simard. Your time is up. You can follow up on that line of questioning in the next round.

Thank you, Minister, for your responses.

We'll now go to Mr. Angus from the New Democratic Party for six minutes.

Mr. Angus, the floor is yours.

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you so much, Chair.

Thank you, Minister, for being back at your most welcome seat, where we love to have you. If you want to stay for a few extra hours, I'm sure we'd be more than willing to vote on it.

My concern is that over Christmas, we heard some really disturbing news. Canadian researchers tell us the Greenland ice shelves are melting at 30 million tonnes an hour. This is planetary breakdown in real time. We have parts of Alberta that are still burning from last summer—in January.

I hear positive talk from the government, but I don't see the action I'm seeing elsewhere in the world. China, in a single year, doubled its solar capacity. It increased its wind capacity by 66%. The Biden government brought in \$132 billion in clean-tech projects in a year, yet our ITCs are still being talked about. We have Bill C-50 being monkeywrenched by the Conservatives. We also have Bill C-49, and they're sending a signal again on this.

My concern is that we have a window, and once that window passes, we're going to be left by the side of the road. With the Biden administration in the United States, one clean-tech offshore project in New Jersey will serve 700,000 homes, one project in Martha's Vineyard, 400,000 homes, and one in Rhode Island, 250,000 homes. These are being built right now, and we're talking about it. Why would investors come to Canada?

Hon. Jonathan Wilkinson: Investors would come to Canada for a whole range of different reasons, and investors are coming to Canada, if you saw the \$12-billion Dow investment in the world's first net-zero petrochemical facility, and if you looked at the world's largest and lowest-emission potash mine in Saskatchewan or the battery manufacturing plants and electric vehicle manufacturing plants in Ontario and Quebec. However, I am totally in agreement with you that we need to move fast. The world is moving.

You are right that the most aggressive country on this is China. They've made a major bet on the energy transition. With the scale of what they've done with respect to electric vehicles, with respect to the deployment of renewable energy technology and with respect to critical minerals and supply chains, Canada and other western countries need to accelerate the work we are doing. We need to get those ITCs in place—and they will be coming forward very soon—in order to catalyze even more investment in Canada.

Mr. Charlie Angus: I look at Aberdeen, the land of my people. This is an oil town. It suffered from the decline. There were 15,000 new jobs last year alone in offshore wind, and over 42,000 have been created in Aberdeen. There are huge investments being made in Europe. There are huge investments being made in the United States.

How long do we keep hoping that they're going to pay attention to us if we're still sitting and talking about this legislation, still talking about Bill C-50 and still talking about ITCs? That investment is going to go elsewhere.

Hon. Jonathan Wilkinson: I think that's exactly right, and that's why getting this bill passed and implemented to have a regulatory structure in place such that people do have certainty around the regulatory regime is critically important. The kinds of delays we have seen in this committee have not been helpful to the economic competitiveness of Canada, and we need to move forward expeditiously.

Mr. Charlie Angus: One thing that's really striking is that the Biden administration has made dealing with the climate crisis and sustainability the number one job, yet recently the President decided to put a moratorium on LNG exports because of serious concerns over methane and other carbon bomb damage that show LNG is not clean energy. He said that the “pause on new LNG approvals sees the climate crisis for what it is: the existential threat of our time.”

Is the Liberal government willing to deal with a moratorium on LNG given the Biden administration is saying that this is an existential climate threat?

• (1610)

Hon. Jonathan Wilkinson: Regarding the Americans, it's not a moratorium on exports. It's a moratorium on new projects as they look to incorporate climate more strongly into their regulatory approval process.

Canada started down that path years ago. Our 75% methane reduction requirements and the requirement for “best-in-class”, which means you need to liquefy using electricity, are exactly what the Americans are looking at now, and they have not done it. We welcome the Americans joining Canada in focusing on how we ensure the decarbonization of that sector.

I was meeting with Premier Eby today. We had exactly that conversation. That's exactly his view as well.

Mr. Charlie Angus: The issue on methane is that methane is a planet killer. It's 80 times worse than CO2 emissions, yet we find that, again, emissions are 50% higher than industry has admitted. We simply cannot trust Suncor to tell anybody the truth. We cannot trust the Alberta Energy Regulator, which is an extension of Suncor, to tell the truth.

Emissions are 50% higher. LNG is a major source. You say we have a plan on methane, but how do we tell the public we have a plan on dealing with methane when what we're getting in terms of how much is being emitted by industry is false?

Hon. Jonathan Wilkinson: That's a good question. I think the reductions we have seen with respect to methane regulations are real reductions, but what you're saying is that the absolute starting point may be different.

I think a lot of data out there would suggest that methane emissions are higher than we previously thought. That is why we have announced the methane centre of excellence, a body that is going to look at this. It will be independent of the industry. It will ensure that we have in place the appropriate methodology to measure.

Mr. Charlie Angus: Okay, but to finish here, I was just saying that methane is a planet killer, so we know it's much higher and we can't trust industry. To me, setting up some kind of body to look at it isn't good enough. We have to say what the real numbers are and say this is what industry has to start dropping.

Hon. Jonathan Wilkinson: You are absolutely right, but you have to do the measurements. A number of different technologies have come forward, including satellite technology, that will allow us to be more accurate on the measurements. That's exactly what we will be requiring going forward.

Mr. Charlie Angus: Thank you.

The Chair: Thank you, Mr. Angus.

Thank you, Minister, for answering all the questions.

We'll now go to Mr. Perkins for five minutes.

Mr. Perkins, the floor is yours.

Mr. Rick Perkins (South Shore—St. Margarets, CPC): Thank you, Mr. Chair.

Thank you, Minister.

I just want to make sure that everybody is clear, because a lot of statements have been made here.

As a Nova Scotia MP and member of the Conservative caucus, I will say that we support the development of offshore wind if it's economical and works and does not displace existing important industries, like our commercial fisheries. Also, we don't support the imposition of the Bill C-69 processes on the development of all offshore energy off Nova Scotia.

You said that the new processes from Bill C-69, which are in this bill, only apply to the review of offshore wind, but that's not the way I read the bill or the way most people see the bill. It's a new process for reviewing all offshore energy projects. These two boards will not be following the process they follow now for offshore oil and gas or for wind. They'll be following the Bill C-69 processes through the IAA. Is that not true?

Hon. Jonathan Wilkinson: Again, Bill C-69 had three pieces of legislation in it, so you are referring to the Impact Assessment Act and not to the Canadian Navigable Waters Act and the Canadian Energy Regulator Act.

Mr. Rick Perkins: That's correct.

Hon. Jonathan Wilkinson: Okay.

As I have said, the focus of the offshore boards has always been on a process to assess, initially, hydrocarbon projects. It will now be expanded to address renewable energy projects. The process being put into place is something on which we have worked very closely with Premier Houston, whom you would know very well—

Mr. Rick Perkins: I understand that, Minister, but—

Hon. Jonathan Wilkinson: Every—

Mr. Rick Perkins: I'm sorry to interrupt, Minister, but I only have five minutes and I asked a very specific question. I don't need another explanation of your discussion with the province.

I asked a question about whether or not the process in Bill C-49 applies to both the oil and gas energy project review processes and the offshore wind project because that's the way the bill reads and you said it doesn't.

Hon. Jonathan Wilkinson: I didn't say it doesn't. There are some differences, but the way the regulator goes through the project approval process will be similar.

Mr. Rick Perkins: This process, we know, has resulted in almost no energy projects being approved since Bill C-69 has been implemented. You're going to apply that cumbersome and awful process not only to offshore oil and gas, but also to offshore wind.

Even without that, in November a proposal for an exploratory well off Nova Scotia was suspended by you after approval by this board, and then it was rejected. In the 30 days in between, you said in the media that in your decision about whether or not to veto it, you needed to talk to interest groups like the Sierra Club. Did you talk to anyone else besides the Sierra Club?

• (1615)

Hon. Jonathan Wilkinson: Sure. There were a number of different organizations we talked to, and I certainly talked to my counterpart, Minister Rushton. We made the decision jointly.

Mr. Rick Perkins: Did you speak with any fishing groups, any—

Hon. Jonathan Wilkinson: There were folks from the fishing community at some of the meetings, yes.

Mr. Rick Perkins: Then I'd like to take you back.

One of the things this bill does—in clause 28, I believe—is give an enormous power to the Department of Fisheries and Oceans to say that you cannot do any offshore energy project, including wind, if DFO “may” be thinking about a marine protected area. You'll recall, from when you were fisheries minister, your visit to the eastern shore and the 200 lobster fishermen who came in to greet you on the area of interest off the eastern shore. You'll also recall that it's an area that was set up in 2018.

You were about to turn it into a marine protected area at the time, and the objections of the committee, because nobody had been consulted.... None of those people have been consulted with regard to any of the offshore wind projects to date or the creation of this bill. They pushed back on you because there had been no socio-economic study. You were going to oppose that in an area where they have few opportunities to make a living other than lobster, mackerel and herring. You were going to close it down.

You suspended that, but the Damocles sword is still hanging over everybody, and that's what DFO does. You've given it the power in this bill to stop everything in the ocean with regard to what you want to do with offshore energy. Why would you do that?

Hon. Jonathan Wilkinson: That's not actually what the bill does. There is no ability for DFO or for the federal government to create a marine protected area on its own. That requires, under the accord acts, agreement on the part of both the province and the federal government. That's part of the structure of the accord acts.

Mr. Rick Perkins: It says, “may be identified”, not “it is”.

Hon. Jonathan Wilkinson: You can identify something as a prospective area—

Mr. Rick Perkins: Without actually doing the process....

Hon. Jonathan Wilkinson: —but you can't do it.

The Chair: Thank you, Mr. Perkins, and thank you, Minister. The time is up.

We'll move to Mr. Aldag for five minutes.

Mr. John Aldag (Cloverdale—Langley City, Lib.): Thank you, Minister and officials, for being here. It's good to see everybody.

I'd like to begin by asking a couple of questions. I'll give you the context for them. The memorandum of understanding between the—

Mr. Charlie Angus: I have a point of order.

The Chair: Mr. Aldag, can you pause for a second? We have a point of order from Mr. Angus.

Mr. Charlie Angus: I'm sorry, but it's really hard at this end of the table to hear what's happening because there's constant talk. If people could just—

An hon. member: That's not a point of order.

Mr. Charlie Angus: That is absolutely a point of order. People can go outside if they want to talk. I want to hear the questions.

Thank you.

The Chair: Colleagues, I'll ask that while a member is speaking and has the floor, other members respect that individual's time to ask questions and let the minister to speak. If you would like to have a side conversation or you have a phone call, you can step outside to do that. Thank you.

Mr. Aldag, we'll go back to you. The floor is yours.

Mr. John Aldag: Minister, what I was saying is the memorandum of understanding that exists right now between the federal government and the Province of Newfoundland and Labrador identifies 16 bays as exclusive provincial jurisdiction. You touched on that in one of your responses to Mrs. Stubbs' questions. The legislation we have before us would allow the province to develop offshore wind farms as though.... Sorry, the province has the ability right now to develop wind farms as though they were on land. That's what I'm trying to say.

This legislation, Bill C-49, is needed to make offshore power production a reality. Premier Andrew Furey has said, "This crucial federal-provincial agreement puts us in the driver's seat and will allow us to reap the majority benefit from the endless possibilities of the new green economy".

We've seen at this committee some of the stalling tactics employed by the opposition. We just saw them specifically on Bill C-50, the sustainable jobs act. I'm wondering if the Premier of Newfoundland and Labrador expressed any concerns to you about the passing of this legislation—

• (1620)

Mrs. Shannon Stubbs: I have a point of order, Chair.

It was actually the Liberals—

The Chair: Mr. Aldag, can you hold for a second? We have a—

Mrs. Shannon Stubbs: —who brought Bill C-49 to this committee and put it behind Bill C-50.

The claim Mr. Aldag just made is not true. It's the Liberals who delayed Bill C-49 themselves, just for clarity.

The Chair: Thank you, Mrs. Stubbs, for that point of order.

Mr. Aldag, the floor is yours. Please go ahead and conclude.

Mr. John Aldag: Thank you.

As I was saying, given the stalling and delay tactics used by the official opposition on Bill C-50, the sustainable jobs act, I'm wondering if the Premier of Newfoundland and Labrador has expressed concerns to you about passing this legislation in a timely manner. Secondly, what are the potential impacts of having this legislation delayed by the official opposition?

Hon. Jonathan Wilkinson: Yes, the Premier of Newfoundland and Labrador and I have spoken about this. He is very keen to see this move forward, as is the Premier of Nova Scotia, to ensure the planning and investments that will be required on the part of companies like World Energy in Newfoundland and Labrador can proceed. They need to know what the regulatory structure looks like.

He is very keen on that. He is certainly pushing very hard. I suggest that folks from Newfoundland and Labrador might want to have a conversation with him. To be honest, I'd be quite happy if he came to present at the committee to tell you how anxious he is over the committee doing its job and getting this done.

Mr. John Aldag: Perhaps, Minister, you could also speak to the point about the—

The Chair: Mr. Aldag, I'll ask you to hold a second, we have a point of order from Ms. Jones.

Ms. Yvonne Jones: I have a point of information.

I'd like to clarify, Minister, that there is a motion before the committee to hold hearings in Newfoundland and Labrador and in Nova Scotia that has yet to be dealt with. Hopefully, we will have that opportunity.

The Chair: Thank you for the point of information. It is not a point of order, but thank you for clarifying that.

Mr. Aldag, it's back to you.

Mr. John Aldag: Thank you.

As I was saying, Minister, perhaps you could expand a bit. I think you touched on this in your opening comments and in other responses, but what are the potential impacts of having this legislation delayed? We talked a bit about impacts on investments. Are there other impacts we might see if we do not get this legislation through this committee, back to the House and onward sooner rather than later?

Hon. Jonathan Wilkinson: There are impacts. There are impacts in terms of companies being able to plan. There are impacts in terms of investments they will hold off on. There are impacts in terms of being able to create the certainty required for us to engage in an agreement with Germany about the volumes of hydrogen we will be able to ship them.

The longer it takes us, the more likely it is that Qatar, the United States and other parts of the world are going to seize this opportunity. We are not the only ones, and we are falling behind if we do not act expeditiously. The delay, delay, delay we've seen in this committee over the past little while is putting at risk Canada's future economic prosperity.

Mr. John Aldag: I'm going to turn now to a question on consultation. It comes from my role as chair of the Standing Committee on Indigenous and Northern Affairs.

I am quite curious about consultation, so could you tell us when consultations took place, what the feedback was from the nations that your ministry talked to, how strong indigenous support is for this project and how Bill C-49 can help advance reconciliation? It's a package of questions on reconciliation and consultation.

Hon. Jonathan Wilkinson: There were a number of opportunities to engage in consultation with indigenous communities in both provinces. The first was through a call-out we did with this piece of legislation. There is the regional environmental assessment being conducted by Environment Canada, which will be a venue for engagement with indigenous communities. Also, project-specific environmental assessments, when those come forward, will provide a venue for engagement with indigenous communities.

Beyond just consultation, though, many indigenous communities in both provinces have been very supportive of the project activity. In fact, many of them are participants, from an equity perspective, in some of these projects because they see this as an enormous opportunity, from an economic perspective, for them to have long-term benefits that flow to their communities.

The Chair: Thank you, Minister.

We will now go to Monsieur Simard for two and a half minutes.

The floor is yours, sir.

[Translation]

Mr. Mario Simard: Thank you, Mr. Chair.

I'm confused, Mr. Minister.

I looked at the hydrogen issue at length, and one of the preferred places to manufacture it is Quebec, because Quebec produces large volumes of hydroelectricity.

However, the Quebec government decided to abandon the export of hydrogen that could be produced from hydroelectricity because of a fairly simple principle that was explained to me, namely the rate of energy return, according to which too much energy would have to be invested to produce hydrogen. So the loss of electricity would be too great.

That's what I was told. I'm no scientific expert, but I can understand basic principles.

So I'm wondering whether, as part of the wind energy projects that are involved, a fairly large quantity of energy will need to be produced if we want to export hydrogen.

Wouldn't it be more logical, rational or reasonable to use that electricity for local consumption rather than to manufacture relatively small volumes of hydrogen that would certainly not meet Germany's industrial needs?

• (1625)

Hon. Jonathan Wilkinson: In Quebec, projects related to the manufacture of hydrogen for local consumption are under way. An announcement was made about three weeks ago.

In addition, the Government of Quebec has decided that it doesn't have enough electricity, so we have to choose how to use it. Far more electricity than we need in this country can be produced

by wind turbines in Nova Scotia and Newfoundland and Labrador. Quebec's situation is different.

Mr. Mario Simard: In terms of the volumes of electricity produced, I don't think there's anything comparable to hydroelectricity in Quebec. I think a huge number of wind turbines will have to be built in order to obtain sufficient volumes to produce and export hydrogen, because there's still a loss in the process.

I want this to be clear. In the current version of Bill C-49, is hydrogen production the only permitted use for electricity generation?

Will the province still have a major say?

Is the main objective to respect the agreement you signed with Germany some time ago?

[English]

The Chair: Give a quick response, please.

[Translation]

Hon. Jonathan Wilkinson: No, the provinces and businesses have to decide how they want to use electricity. Of course, we can use electricity domestically, but there are cases where companies also produce electricity to manufacture and export hydrogen.

[English]

The Chair: Thank you, Mr. Simard and Minister Wilkinson.

We'll now go to Mr. Angus for two and a half minutes.

Mr. Charlie Angus: Thank you.

I just want to follow up on dealing with the need to put a sustainable energy future in place and being willing to face the climate damage being done in real time. We talked about methane, but we now see a really disturbing new report that says toxic emissions from the tar sands are 6,000% higher than has been reported.

It's not surprising that Suncor and Imperial Oil are going to downplay this, but 6,000% is a staggering number—

Mr. Stephen Ellis (Cumberland—Colchester, CPC): I have a point of order.

The Chair: Mr. Angus, I'll ask you to hold on for a second. We have a point of order from Mr. Ellis.

Mr. Ellis, go ahead.

Mr. Stephen Ellis: Thanks very much, Chair.

There are those of us who aren't normally on this committee. Perhaps you don't talk about relevance much here, but Suncor doesn't exist in eastern Canada. This bill is very specifically about Atlantic Canada. Perhaps the member could get to his point of relevance related to this particular piece of legislation.

The Chair: Thank you for your point of order, Mr. Ellis.

I would ask all members to keep their questions relevant to the conversation at hand today.

I'll go back to you, Mr. Angus.

Mr. Charlie Angus: Well, certainly the relevance is climate denial and obstruction of our bill. I just want to deal with this issue of the 6,000%—

Mr. Stephen Ellis: I'm sorry, Chair. I have a point of order again.

The Chair: Mr. Angus, we have another point of order.

Mr. Ellis, go ahead.

Mr. Stephen Ellis: I'm curious. This member keeps talking about climate denial. There's nothing in this bill about that—

Mr. Charlie Angus: That's not a point of order.

Mr. Stephen Ellis: —but he continues to talk about it. Again, what is the relevance, please?

The Chair: Thank you, Mr. Ellis. I believe Mr. Angus was just about to get into the rest of his debate.

I will ask members to be relevant but also not to use points of order to interrupt other members.

Mr. Angus, the floor is yours.

Mr. Charlie Angus: Thank you.

I'm certainly not surprised that when you ask tough questions on this level of pollution, it will ruffle a few feathers over there.

What I'm asking you, Minister, is, who is it...? Pathways Alliance claims that these emission standards and measurements are done in conjunction with the federal government. We can understand why Suncor or Imperial would lie about the facts. Why would the federal government allow this to happen?

• (1630)

Hon. Jonathan Wilkinson: I have not seen that report, although I've certainly heard about it. Environment Canada would have a role to play in the context of measuring emissions and contaminants. I am quite certain that Environment Canada is having a look at the report as we speak.

I would say, though, to the earlier interjection by the colleague down the way, that Suncor actually does have an interest in the offshore. It is a player in the Newfoundland and Labrador oil and gas sector, so it is relevant to this conversation in that regard.

Mr. Charlie Angus: Certainly, Mr. Minister, I was aware of that, but sometimes when you get into those kinds of side arguments you're really wasting a lot of mental energy.

My concern is that we have an industry polluting 6,000 times higher and we're being obstructed in getting clean energy off the ground. I would just reiterate this simple question: How important is it that we get these projects off the ground, because we are losing competition around the world?

Hon. Jonathan Wilkinson: It is enormously important. At the end of the day, the world is moving. Countries around the world, whether it's Japan, South Korea, China, the United States or various countries in western Europe, are looking to get ahead with the various opportunities that exist in the context of the transition to a low-carbon future. That is not exclusively electricity and hydrogen. It's critical minerals, batteries, electric vehicles and a whole range of other things.

Certainly, this is an enormous economic opportunity for Newfoundland and Labrador and for Nova Scotia. It's the reason that both premiers are pushing so hard to see this move forward. It's thousands of jobs. It's economic prosperity for communities and for indigenous communities. My goodness, it just boggles the mind that the Conservative Party is opposing something like this. I never thought I would see the day when a political party was fully opposed to an economic enabling piece of legislation that is fully supported by the provinces, including the Conservative government of Nova Scotia.

The Chair: Thank you, Minister. That's right on time.

We'll now go to Mr. Small for five minutes.

Go head, Mr. Small.

Mr. Clifford Small (Coast of Bays—Central—Notre Dame, CPC): Thank you, Mr. Chair.

I'll let the honourable minister know that the Conservative Party opposes Bill C-49 because it breaks the spirit of the original Atlantic Accord—

An hon. member: Oh, oh!

Mr. Clifford Small: —so much so that the Canadian Association of Petroleum—

Mr. Charlie Angus: I have a point of order.

Mr. Clifford Small: I'm pleased that I humoured my colleague from Labrador.

The Chair: Mr. Small, I'll ask you to hold on one second. We have a point of order from Mr. Angus.

Mr. Charlie Angus: On the statement that they're officially opposing Bill C-49, is that just his opinion, or is that the Conservative Party—

Mr. Rick Perkins: That's debate. That's not a point of order.

Mr. Charlie Angus: It helps us understand where we're going with these guys.

Mr. Rick Perkins: It's just a rude interruption.

The Chair: Hold on, colleagues.

Once again, I'll encourage all colleagues to make sure their point of order is a point of order relevant to the conversation and to make sure we don't use it as debate. I would also ask all members to stay in line with their questioning.

Mr. Small, it's back to you.

Mr. Clifford Small: Thank you, Mr. Chair. I hope that time goes back onto my time, respectfully.

The Chair: It was paused.

Mr. Clifford Small: We oppose this legislation. When we voted for it, obviously we opposed it. We oppose it because the Canadian Association of Petroleum Producers wrote you a letter, which I have right here.

I don't know if you read it. It's dated August 8. Did you read this letter from CAPP?

Hon. Jonathan Wilkinson: I'm sure I did.

Mr. Clifford Small: I certainly hope you did.

CAPP is concerned that proposed section 56.1 in this bill is going to shut down the oil and gas industry off Newfoundland and Labrador.

Will you remove proposed section 56.1 from this bill to address their concerns?

Hon. Jonathan Wilkinson: This bill was negotiated in tandem with the Government of Newfoundland and Labrador, which is obviously a significant participant in enabling the offshore energy industry. It is something that we and they are fully comfortable with.

We see the bill as standing as it is, subject to the discussion that this committee will have, obviously.

Mr. Clifford Small: Thank you, Mr. Minister.

Mr. Minister, I'd like to know how you hoodwinked the provinces in Atlantic Canada to support this legislation. How did you pull the wool over their eyes?

Hon. Jonathan Wilkinson: My goodness, I have a lot more respect for Premier Furey and Premier Houston than you perhaps do. At the end of the day, both of them see this as an enormous economic opportunity. Both of them came to us to ask that this be done. Both of them engaged in negotiations on this.

I can't speak for them, but I am obviously very shocked that you would see them as being that weak in their ability to negotiate on behalf of their provinces.

• (1635)

Mr. Clifford Small: Mr. Wilkinson, I don't think they're weak leaders.

Proposed section 56.1 gives you the unilateral power, with the unconstitutional Bill C-69, to create marine protected areas, so that you can pull development and exploration permits without an environmental impact study.

In 2023, we saw a record 37 parcels of leases put forward off the east coast of Newfoundland and Labrador. How many of those were actually bought?

Hon. Jonathan Wilkinson: Industrial development is important and so is the protection of biodiversity—

Mr. Clifford Small: This is an easy one.

Hon. Jonathan Wilkinson: Biodiversity is in decline around the world.

Mr. Clifford Small: How many were bought?

Hon. Jonathan Wilkinson: It's important that we are protecting particularly sensitive areas. I'm not sure why the Conservative Party doesn't believe in the protection of biodiversity.

At the end of the day, under this bill, the federal government can't unilaterally create a marine protected area or a marine refuge. It has to be done in conjunction with the province or territory.

Mr. Clifford Small: You didn't answer the question, Mr. Minister.

How many blocks were sold off the east coast of Newfoundland and Labrador in 2023? How many parcels were sold, out of the record 37 that were offered up? How many?

Hon. Jonathan Wilkinson: None were sold.

Mr. Clifford Small: It was zero.

How many millions of dollars' worth of leases were sold in the Gulf of Mexico in that same year?

Hon. Jonathan Wilkinson: I do not know the answer to that question.

Mr. Clifford Small: The answer is that 382 million dollars' worth of leases were sold in the Gulf of Mexico.

Why would these same oil and gas producers trip over themselves to drill and explore in the Gulf of Mexico and completely walk away from Newfoundland and Labrador's offshore oil and gas industry?

Hon. Jonathan Wilkinson: Businesses make decisions based on the development of the business case. They would make their own decisions. I'm not going to put myself in the mind of Exxon Mobil, Shell or anybody else.

At the end of the day, they will make their decisions based on the overall economics of the project and their view about the future of energy.

Mr. Clifford Small: In June, after this legislation was tabled, teams from 10 major oil and gas producers were poring over data that was tabulated for all 37 parcels of land. They were preparing their bids. Industry sources told me that 10 companies were preparing bids. When this legislation was tabled, the interest waned.

Why are you trying to kill Newfoundland and Labrador's offshore oil and gas industry with the fear and instability that this legislation is presenting to our producers?

Hon. Jonathan Wilkinson: That's just ridiculous. At the end of the day, companies make decisions. If you look at the years prior to 2023—I'm not sure if you've looked at them—there were significant purchases of bids.

Mr. Clifford Small: Yes, that was prior to your bill.

Hon. Jonathan Wilkinson: At the end of the day, this bill makes no significant changes to the process with respect to oil and gas. If you think it does, then you should go back and read the bill.

The Chair: Thank you, Minister Wilkinson, for your responses.

We'll now go to Mr. Sorbara for five minutes.

Mr. Francesco Sorbara (Vaughan—Woodbridge, Lib.): Thank you, Chair.

Welcome, Minister, to the natural resources committee and the first day back in this session of Parliament.

Minister, first off, if I could start down a more humble avenue, we are all elected MPs, and one of the things I always say to my constituents is, "I am your voice here in Ottawa. I bring your issues and concerns to Ottawa and fight for you every day."

I am pretty certain that the folks back on the east coast, including the premiers, are asking us to fight for them here in having Bill C-49 make its way through committee, be studied vigorously and passed so we can use it as a catalyst to create wealth, to create jobs and obviously to transition to a net-zero world, which here in Ontario we are seeing through the transition in the automotive sector that our government is seized with today.

Minister, in this race—I'm not going to say “against time”—that we are in to attract investment, we need to slow down the consequences of climate change, seize the economic opportunities and shift to a net-zero environment, including in our source of electricity and in energy as well.

Frankly, we cannot afford to lose and we can't afford to waste time. We know the economic potential this could bring us is significant. It is bringing a lot of economic potential. We're already blessed in Canada with 85% of our electricity being generated from non-carbon sources.

I would like to hear from you, Minister, how this legislation, Bill C-49, will ensure Canada can continue to lead this race.

• (1640)

Hon. Jonathan Wilkinson: Thank you for the question.

Look, Canada faces a choice. Either we can look to lead the global race to net zero, building on areas of comparative advantage or areas where we can reasonably develop comparative advantage in the world, or we can let it pass us by with all of the attendant consequences of being a late mover. We can lead or we can bury our heads in the sand, which is what my Conservative colleagues clearly seem to want to do.

In this context, the development of clean energy grids, which this will enable, is really important. The development of long-term energy that can be exported around the world is really important, and this will enable that as well. It will create thousands of jobs, just like at the battery plants, the electric vehicle facilities, the net-zero petrochemical facility and the E-One Moli battery facility in Maple Ridge, British Columbia. It will create an enormous number of jobs. It will create economic prosperity for communities across both provinces. It is why both the Premier of Nova Scotia and the Premier of Newfoundland and Labrador strongly support this bill, which they helped to negotiate.

Mr. Francesco Sorbara: Thank you, Minister.

One thing you've been doing over your time in this position and others is travel internationally and speak to investors wanting to invest in Canada, specifically in various sectors of our economy where we are leading the transition to non-carbon industry. We know that's where the world is going. We know that under our leadership that's where Canada is going.

How are we uniquely positioned to continue attracting that investment? We see the numbers, the third most FDI flows for the first half of 2023, and I look forward to seeing the full-year results. I think we'll be up at those top levels, but as you said, with the Dow investment in Alberta's industrial heartland and the investments in B.C., Ontario and Quebec—really, across the board—how are we positioned there, Minister?

Hon. Jonathan Wilkinson: I think we're very well positioned.

Canada has a relatively clean grid, and there's opportunity to build upon that to have abundance, affordability and reliability and to utilize that for the purpose of clean domestic manufacturing.

We have resources that the world needs, including critical minerals, and we have regulatory structures that are stable and political structures that are stable. That's really important in a world that is very, very challenging right now.

Countries are very interested in Canada. We obviously need to move. We need to be cost-competitive. We need to enable things like Bill C-49 to ensure that we are putting in place the regulatory structure that will allow us to move forward. Canada is enormously well situated. We just cannot bury our heads in the sand and pretend the energy transition is not happening, which is what the Conservative Party of Canada, for whatever reason, seems to want to do.

The Chair: Thank you, Minister. Time is up.

Thank you, Mr. Sorbara.

We're now going to give five minutes to Mr. Ellis.

Mr. Ellis, the floor is yours.

Mr. Stephen Ellis: Thanks very much, Chair.

Thanks for being here, Minister.

I think it was very disappointing to hear you start the climate change rhetoric and suggest that the Conservatives, because we have questions, are climate change deniers. You know and I know that's just foolishness. This process is designed to have questions. The sad part is that you're the person here to answer them. Your beginning rhetoric is very disappointing for the person I've come to know.

That being said, is your primary purpose here to go on a climate crusade or is there an economic case? As we get into this, we know the economics doesn't exist. Which is it, climate crusade or economics?

Hon. Jonathan Wilkinson: It is both.

I would say that while I enjoy our conversations in the gym, I have to call it like it is. The Conservative Party of Canada's climate plan is to let the planet burn. You cannot take any other observation away from everything that you folks oppose. You have zero interest in reducing emissions. It is appalling that that you folks have such disregard—

• (1645)

Mr. Stephen Ellis: Minister, I'll have to interrupt you there.

Hon. Jonathan Wilkinson: —for the future of our children and our grandchildren.

At the end of the day, though, you have to fight climate change. You have to do it in a manner that—

Mr. Stephen Ellis: This is my time.

Excuse me, Chair.

Hon. Jonathan Wilkinson: —is economically workable. We are doing both.

Mrs. Shannon Stubbs: I have a point of order, Chair.

This is a Nova Scotia member of Parliament trying to ask questions about an Atlantic Canadian piece of legislation that impacts Nova Scotia and Newfoundland and Labrador.

The Chair: Thank you, colleagues. I would ask all colleagues, if you ask a question, to give the minister enough time to answer the question so that there is an appropriate balance.

Mr. Ellis, the floor is yours. Please continue.

Mr. Stephen Ellis: Thank you very much, Chair.

Minister, I would suggest to you that I'm the one asking the questions. You're the one to provide the answers. If I'm interrupting you, I think that's a very reasonable thing. I'm trying to be respectful here, sir.

I would also suggest to you that your government's policies have driven two million Canadians to food banks every month. You're taxing them into oblivion. If we want to talk about the business case here, what happened to the business case of tidal power?

Hon. Jonathan Wilkinson: I'm not sure how much you know about tidal power, but the issue that they ran into—

Mr. Stephen Ellis: It's in my riding, Minister.

Hon. Jonathan Wilkinson: —with respect to DFO was about trying to figure out a pathway through which you could protect fish and fish habitat. Tidal power is far from commercial at this stage. It has to come with a significant cost reduction before it can be deployed on a commercial basis. I'm happy to sit down with you and have a conversation about technology, but it's not ready for prime time right now.

Mr. Stephen Ellis: Okay. How about some simple questions, Minister?

How many fish were struck in the sustainable marine environment in the Minas Basin?

Hon. Jonathan Wilkinson: There were projects that were permanent—

Mr. Stephen Ellis: No, it's a simple number. I don't need a long explanation. Just give me a number. Come on.

Hon. Jonathan Wilkinson: As I said, we've established a working group—

Mr. Stephen Ellis: Come on, Chair; this is a simple answer.

Hon. Jonathan Wilkinson: —with DFO and with the Province of Nova Scotia to ensure that we're addressing both of those issues.

We want to see renewable energy move ahead. It has to be in a manner that's consistent with the protection of fish and fish habitat.

Mr. Stephen Ellis: Chair, you need to get control of this committee. I asked one simple question: How many fish were struck? How long was that question? Was it 10 seconds? How long was the foolish answer? Was it a minute and a half? We still don't know the answer.

Mr. Charlie Angus: Chair, that's not a point of order. That's his time. You count that as his time. Is that correct?

Mr. Stephen Ellis: I didn't ask for a point of order.

The Chair: The time has been running. I will stop the clock now.

Colleagues, once again, if you ask a question, we want to give the minister time to answer it. If you don't like his answer, that's your prerogative. The minister is taking time to come today to answer your questions, so just give him enough time to answer them.

I'll turn the floor back to you, Mr. Ellis.

Mr. Stephen Ellis: Once again, it's a very simple question. How many fish were struck by the sustainable marine project in the Minas Basin?

Hon. Jonathan Wilkinson: I'm more than happy to ask the Department of Fisheries and Oceans for an answer to that question.

Mr. Stephen Ellis: Thank you very much, Minister. Clearly you don't know.

That being said, as we begin to look at the economics of the hydrogen case, which you want to talk about so much, tell us a bit about green hydrogen and the cost to develop it on a per kilogram basis. What's the cost in, let's say, euros per kilogram.

Hon. Jonathan Wilkinson: It totally depends on the scale. It depends on the wind speeds. It depends on a whole range of things.

Look, you're from Nova Scotia. There is a leading company there called EverWind that has developed a business case. They can certainly tell you what their estimate is for their cost of production, but I'm not going to give you their internal numbers. That's commercially confidential.

Mr. Stephen Ellis: I would suggest, sir, that you have no idea about that, because you're not even calculating the capital costs, the creation costs and the shipping costs for hydrogen, which you want to talk about as such a great thing for our European partners. We very clearly know that it has an insurmountable cost at the current time without your government pouring incredible—

Hon. Jonathan Wilkinson: Talk to the CEO of EverWind, who has spent \$200 million of his own money developing a business case for this.

Mr. Stephen Ellis: I didn't even ask a question and now we have an interruption from the minister. What kind of a committee is this?

The Chair: It's a great one.

Mr. Stephen Ellis: It's a great one. It's a poorly run one.

Mr. Charlie Angus: You are counting this time.

Mr. Stephen Ellis: Now we have chirping from someone else who doesn't even have the floor.

That being said, what we know very clearly is that there is no business case at the current time for shipping hydrogen in the state of ammonia. We know that, and everybody around the world knows that, but here you are saying that what we need to do is have wind on the offshore, which could potentially interfere with many things, especially the fishery in Nova Scotia. We don't even have a fully realized onshore wind industry in Nova Scotia.

Here you are touting this business case, which your government is wont to do, telling us how great things are, without any business case and without the ability to provide any numbers whatsoever as to the cost of creating hydrogen, for example, which you want to be the crown jewel. I'll use that word.

So—

The Chair: Minister, I'll ask you for a brief comment.

• (1650)

Hon. Jonathan Wilkinson: I'm not sure how much experience you have in business, but typically the business case is developed by a company. There are a number of companies in Newfoundland and Labrador, Nova Scotia, Alberta and Japan that are looking at the development of hydrogen and shipping it as ammonia.

I'm more than happy to sit down and have a longer conversation about this with you, but your facts are just not facts.

The Chair: Thank you, Minister.

I will now go to Mr. Blois for five minutes.

Mr. Kody Blois (Kings—Hants, Lib.): Thank you, Mr. Chair.

Minister, thank you for being here before the committee. It has been interesting to be back on the committee. I would say sorry to the interpreters for the amount of interruption.

Minister, for Canadians who are sitting at home, including those in Atlantic Canada because this is a piece of legislation that uniquely impacts Nova Scotia and Newfoundland and Labrador, why is this legislation important? I heard some of our colleagues, including Mr. Simard, ask why we are doing this. The Atlantic accords are really important to the shared governance of the Atlantic offshore for oil and gas. That remains the case, but why was this needed to help drive green hydrogen?

Hon. Jonathan Wilkinson: At the present time, there is no regulatory structure for the development of offshore wind, so you cannot have projects proceeding at the present time without this bill being passed. As I said, both Newfoundland and Labrador and Nova Scotia have identified the development of offshore wind and onshore wind as critical for their economic future. That is about providing electricity to the grid and is also about producing hydrogen that will be shipped to others around the world. They see this and I

see this as an opportunity to create thousands of jobs and prosperity.

Mr. Kody Blois: You touched on the point that this is joint governance. I'll come back to that in a moment.

Obviously, the government made a deliberate choice to engage with the provinces. I'm sure conversations would have gone back and forth with your colleagues at the provincial level to utilize the existing legislative framework for offshore oil and gas. Why was that decision taken?

We sometimes hear colleagues, including those in the opposition, talk about not creating more bureaucracy and more redundancy. I see this as leveraging the strength of the existing offshore petroleum board. Can you speak explicitly to why the vehicle that was already in place was used and enhanced instead of creating a whole other regulatory agency?

Hon. Jonathan Wilkinson: It was exactly for the reasons that you touch on there. The offshore boards have developed an enormous amount of expertise about how you do projects in the offshore and how you can permit projects in the offshore. Rather than starting from ground zero where setting up a new agency would take years, and even more years to develop the requisite competence to do the job, we are leveraging the expertise that exists within the offshore boards, which will allow us to go much faster. In a world that is moving, with countries around the world looking to seize the economic opportunities enabled through the transition to a low-carbon future, we needed to move.

Mr. Kody Blois: As I sit here as an Atlantic Canadian MP and hear some of the concerns—I would call them more rhetoric—being levied, particularly the Conservative Party highlighting their opposition to this and resistance to the Government of Canada, what I think is being missed in this conversation is that this is not the Government of Canada imposing downwards on any province or territory. This is a partnership where this legislation was developed in concert with Nova Scotia and Newfoundland and Labrador.

You've mentioned it many times, but quickly again, Minister, let's highlight the fact that this legislation is being supported by the legislatures in Newfoundland and Labrador and Nova Scotia and that the governments therein are asking for it to be expedited as soon as possible. Is that a fair statement?

Hon. Jonathan Wilkinson: Yes. We worked very hard. Our officials worked very hard to ensure that we were in agreement with respect to all of this.

I spoke with both premiers on this legislation a number of different times. They are fully supportive of this. In fact, as you say, they asked for this. They have both put out public statements in the last few months asking this committee and this Parliament to pass this bill. That very much includes Premier Houston, the Conservative Premier of Nova Scotia.

An hon. member: Progressive....

Mr. Kody Blois: There was a comment, Minister, just off-microphone: Progressive Conservative. I would agree with the comment made by my colleague because there is a difference. Nova Scotians at home do see the difference between the stance and positioning of the federal Conservatives and those of the Progressive Conservatives back home in Nova Scotia.

Mr. Perkins talked about the fisheries industry. I would agree with him wholeheartedly that that's an extremely important sector. However, what I didn't hear him talking about was the work of the Impact Assessment Agency on the regional review, engaging with fishing groups and engaging to identify areas with the ability to co-exist with the types of technologies we're talking about and maintain that really important fishery. Can you reassure this committee that this work is happening?

• (1655)

Hon. Jonathan Wilkinson: It is absolutely happening. The fishing community is extremely important. It's important economically. It's important for a whole range of reasons. I was Minister of Fisheries for almost two years, and I certainly understand and have met with many of the fishing organizations in both provinces and elsewhere in this country. We need to ensure that the voices of fish harvesters are heard.

We have been consulting in the context of the work that's been done here, but the regional assessment of offshore wind will certainly include the voices of fish harvesters. Any individual project assessment will also hear the voices of fish harvesters.

I will also tell you to look around the world. There are many places, including the United Kingdom, where offshore wind fully coexists, and well, with the fishing industry. You just have to be smart and thoughtful about how you do it.

The Chair: Thank you, Minister.

We will now go to Mr. Simard for two and half minutes.

[Translation]

Mr. Mario Simard: Thank you, Mr. Chair.

I'm going to take the witnesses in another direction, but there's still a connection with what we're studying.

I know that the clean hydrogen investment tax credit came into effect in 2023, if memory serves. The clean electricity investment tax credit is expected to come into effect in 2024.

Personally, I have a question. I know this may apply to Newfoundland and Labrador as well. A major company in our area, Rio Tinto, has a potential wind turbine project. They would like to make hydrogen for their own industrial processes. Does that mean that they would have access to a tax credit for the wind component and another tax credit for hydrogen?

Am I understanding that correctly?

Hon. Jonathan Wilkinson: It's possible, but I'll have to know a little more about that project.

As for the tax credit, we'll provide details later. In fact, I believe the Minister of Finance will be announcing the details in the coming months.

Having said that, it is entirely possible, yes.

Mr. Mario Simard: I want things to be clear: Under Bill C-49, a developer with a wind project and a clean hydrogen project would receive both tax credits. Is that your understanding as well?

Primarily, it gives me the impression that offshore wind projects are mainly set up to manufacture hydrogen. I'm giving you this example because, back home, if we don't have access to Hydro-Québec's infrastructure, the wind project won't be profitable. What costs a lot is all the infrastructure, such as the power lines. What developers are interested in is access to that. They want to build wind projects, but they also want access to Hydro-Québec infrastructure if they want to sell their energy.

As I understand it, under the bill, Newfoundland and Labrador does not intend to build the infrastructure, but to manufacture wind turbines with a view to subsequently producing hydrogen. The province doesn't have the necessary infrastructure, and it's very expensive.

Is my analysis correct?

Hon. Jonathan Wilkinson: These decisions will be made by the governments of Nova Scotia and Newfoundland and Labrador. Those provinces will probably use some of the electricity for the grid and some for hydrogen production. However, if we want to use electricity for the grid, we have to invest in the transition and other things, as Hydro-Québec has done.

[English]

The Chair: Thank you, Mr. Simard, and thank you, Minister.

We will now go to Mr. Angus for two and a half minutes.

Mr. Charlie Angus: Thank you, Minister.

I want to reiterate my concern about delay. We know now that the Conservatives are going to oppose this bill, which Newfoundland and Labrador and Nova Scotia want to move ahead with.

My concern is again whether or not we're going to be in the game at all, given the massive investments in Europe, China and the United States. Our ability to compete is being put on the line. I ask that in terms of the issue of hydrogen, in which I know the Conservatives don't believe there's any economic case.

I was in Germany meeting with Chancellor Scholz. I met with the head of the chancellery, Wolfgang Schmidt. We met with senior officials. They were asking really tough questions: “Can Canada produce hydrogen? Can you meet our market demands?” Germany is an enormous market. It's an industrial powerhouse. Is it possible for us to meet the German opportunity or are we going to sit by the side of the road and let China or the United States take that?

• (1700)

Hon. Jonathan Wilkinson: Yes, but we need to get going. There are other countries, like Qatar, that are moving very rapidly to develop the production of hydrogen, particularly from solar energy there. We need to move forward in a manner that can meet the timelines as well as the cost expectations of the Germans. I think there is an enormous opportunity. I will be seeing Vice-Chancellor Habeck in the next couple of months and having this conversation. Yes, there is an enormous opportunity.

Similarly, in Alberta there's an enormous opportunity to produce hydrogen as ammonia and ship it to Japan, but an enormous amount of work has to be done. We need to get going.

Mr. Charlie Angus: Absolutely. The potential in Alberta for a clean energy economy is so evident, yet it has a premier who invites Russian propaganda to troll and people like Tucker Carlson. She spent the whole winter trashing the clean energy projects that are already on the ground in Alberta. My concern is that it's shifting certainty away from Canada and shifting investment away from Canada. How can we move to get these projects on the ground and tell our friends in Europe that we are going to compete?

Hon. Jonathan Wilkinson: First and foremost we need to get this project through Parliament and implemented. We need to get the investment tax credits finished—and they will be in the short term. We need to get to the point where we have a Conservative Party that believes in climate change and has a plan to address it, and an economy that will thrive in a low-carbon universe. The lack of certainty, from a political perspective, is impeding investment, and that's the fault of the Conservative Party of Canada.

The Chair: Thank you, Mr. Angus.

Thank you, Minister, for that.

We'll now go to Mrs. Stubbs for five minutes.

Mrs. Shannon Stubbs: Minister, I would suggest that uncertainty is being caused by a government that has not moved in 108 days to fix a piece of legislation that you yourself claim is the cornerstone of your environmental and regulatory policies, one the Supreme Court said, in large part, was unconstitutional. Speaking of those unconstitutional sections, section 64 of Bill C-69 is in Bill C-49—

Hon. Jonathan Wilkinson: Do you need me to [*Inaudible—Editor*] that?

Mrs. Shannon Stubbs: I'm sure you've read Bill C-49, which is what you're talking about, so you can catch up.

Hon. Jonathan Wilkinson: You said Bill C-69.

Mrs. Shannon Stubbs: It allows the minister to interfere in a project—and this is what my colleague Rick Perkins was getting at earlier—if they think it's in the public interest. There's no definition

of that. Then any conditions can be created that are deemed necessary. That is exactly what has caused uncertainty in the Canadian energy sector, driving away billions of dollars in projects and private sector proponents. It's interesting to hear your counterpart in the government, your NDP colleague, worrying about missing the window. Well, now we know why he doesn't worry.

Of course, an example of your destruction is LNG. There were 18 proposals when you came to office, and only three are approved and one is under construction, which was previously approved by the Harper government. Then there's the fact that you keep talking about China with the same admiration that your Prime Minister once confessed to. Canada doesn't produce any lithium for Canadian use. It actually goes to China, and we can't get critical minerals or rare earth metals out of the ground in fewer than 25 years in this country because of your legislation.

I'd like to ask you some questions. Why are there no costs in this bill? Surely it's to expand the mandate, the roles, the responsibilities and the critical function of the regulator to assess risks to ecology, to marine wildlife and to habitat. These are related to offshore wind technology, which is new, rather than petroleum development in the past. Can you assure us that there are no costs involved in ensuring the boards have the resources and the skill set sufficient to execute their new mandates outlined in this bill?

Hon. Jonathan Wilkinson: I'm not even sure where to begin on that monologue.

Mrs. Shannon Stubbs: Why aren't there costs in the bill?

Hon. Jonathan Wilkinson: A whole bunch of things were just—

Mrs. Shannon Stubbs: My question is, why aren't there costs in the bill?

Hon. Jonathan Wilkinson: —wrong in there, including the fact that there is an operating lithium mine that came on stream in Quebec that produces for North America. There's another one being developed. There's a whole range of things you just said that are factually inaccurate.

Mrs. Shannon Stubbs: No. The production of that mine isn't for Canadian use. It gets exported to China.

Hon. Jonathan Wilkinson: No. Sayona is in Quebec. Sayona is in Quebec and it's used in North America.

• (1705)

Mrs. Shannon Stubbs: It's in North America, not in Canada. You got it.

Hon. Jonathan Wilkinson: Bill C-49 does not change the Impact Assessment Act. I'm not sure where you're going with a lot of the things you're saying.

Mrs. Shannon Stubbs: I quoted you the section of Bill C-69 that is in Bill C-49. I quoted the section of Bill C-49 that brings in the unconstitutional section from Bill C-69, Minister.

Hon. Jonathan Wilkinson: At the end of the day, in virtually all impact assessments, including CEA 2012, operationalized under the government of Stephen Harper, which I would suggest was a Conservative government.... There are decisions at the end of it—

Mrs. Shannon Stubbs: You've been in government for nine years.

Hon. Jonathan Wilkinson: —that are made by democratically elected authorities.

Ms. Julie Dabrusin: I have a point of order.

The Chair: Minister Wilkinson, can you hold for a second? We have a point of order from Ms. Dabrusin.

Ms. Julie Dabrusin: Again, it's really hard to follow when Mrs. Stubbs is speaking over the minister every time. I'm just asking to find a sequence to this so that we're not speaking at the same time. It's making it really difficult.

The Chair: Thank you, Ms. Dabrusin, for that reminder.

I think the nice sequence is we ask our question and we get an answer. We let the individual asking the question finish; then the individual, in this case the minister, answers the question before we move to the next one. It is also very helpful for our interpreters, who are trying to interpret the back-and-forth.

Go one at a time. Let's not speak over each other, and I think we'll have a smooth remainder of the meeting.

Minister Wilkinson, I'm sorry to interrupt you partway through your response, but I'll turn it back to you to respond.

Hon. Jonathan Wilkinson: I was just saying that it is normal in a democratic system that democratic authorities have the final decision-making authority. That was true under CEA 2012, which Stephen Harper put into place. I'm not exactly sure where she's going with that.

Mrs. Shannon Stubbs: My question was on cost and on resourcing for the boards to execute their mandates.

Hon. Jonathan Wilkinson: The resourcing for the boards works in the same way that other regulatory authorities work, which is that they are cost-recovered from industry. They are not paid for by the government.

Mrs. Shannon Stubbs: For the execution of the new mandates imposed on the regulators by the government, you're going to get that completely from industry.

Hon. Jonathan Wilkinson: That is the intent, in the same way that it is for offshore petroleum. That's the same thing for the Canada Energy Regulator.

Mrs. Shannon Stubbs: That's interesting, except that my Atlantic Canadian colleagues have just explained to you with proof that there's no such development and that the signal the private sector proponent took from this bill was to bail out.

Hon. Jonathan Wilkinson: All the work they do with respect to bids, existing facilities, the approval of the Bay du Nord project a couple of years ago and everything else is cost-recovered from industry.

Mrs. Shannon Stubbs: Minister, in Bill C-49 you have the ability to end any current development by issuing in the antidevelopment zones. As you know, and as we've discussed frequently, indigenous people and communities are involved at extremely high levels in the energy sector and all kinds of sources of energy. In fact, energy companies are the biggest employers of indigenous people across Canada. That's why things like the just transition will hurt them disproportionately.

In your bill, as in others, you have no requirement for consultation when you cancel licences. When there's cancellation as a result of invoking an antidevelopment zone, which you give the power to do in Bill C-49, there's no requirement for consultation with private sector proponents and, importantly, with indigenous communities or people who may be involved in both offshore petroleum and alternative development as equity owners and private sector proponents.

Hon. Jonathan Wilkinson: If one was to cancel a holding for reasons of biodiversity protection or something, it can only be done in conjunction with the province. Of course, in those kinds of circumstances you would arrive at that conclusion only after having consultations with a range of folks.

Mrs. Shannon Stubbs: The Prime Minister didn't do that consultation when he cancelled northern gateway.

The Chair: Thank you, Mrs. Stubbs.

Thank you, Minister Wilkinson, for your answer. The time is up.

We're now going to Ms. Jones for the next round.

Ms. Yvonne Jones: Thank you, Mr. Chair.

I just want to remind people, because a lot of the discussion has been very much fragmented and not directly related to the bill, that the primary beneficiaries of the Atlantic Accord have been the provinces in which oil and gas have been developed. It has allowed them to have royalties and benefits from the industry that would not have been afforded to them without the Atlantic Accord in the first place.

The last government that tried to shut down the Atlantic Accord was the Stephen Harper government, and it was in 2006. I remember it well. I sat in the Newfoundland and Labrador legislature when Premier Danny Williams had to go fighting day in and day out with the federal government, with Stephen Harper and the Conservatives, to land the Atlantic Accord again in Newfoundland and Labrador.

I say to my colleague that the only ones hoodwinking people here today are the Conservatives by trying to find reasons to line up against the accord so that Newfoundlanders, Labradorians and Nova Scotians don't get the benefits of these jobs, of these opportunities, they have been used to and are owed.

The bill before us is here because these provinces have proven in Canada—

Some hon. members: Oh, oh!

Ms. Yvonne Jones: You can make all the fun you want over there; I really don't care. You can laugh out loud. You can do whatever you want, but let me tell you this: These provinces have led the offshore oil and gas industry in this country. Today they're asking to lead the offshore wind industry in this country. They have the expertise and the resources to make it happen.

I'm so disappointed to sit here today with Atlantic MPs who are not supportive of what their provinces are doing when they have a proven record in jobs and opportunities.

Some hon. members: Oh, oh!

Ms. Yvonne Jones: I'm sorry, but I've heard so much today that is unsubstantiated, incorrect and unnecessary at this table in dealing with this bill.

Minister, I want to go back, because I know the bill is here because these provinces want to be leaders in the clean energy of Canada. They want to be leaders in the world in offshore wind, and I want to give them every opportunity to do that. I want to get back to the real crux of what we're dealing with here, and that is sustaining economies in this country and leading the world in green energy.

Can you tell us, without the rhetoric, without the interruptions, about how Bill C-49 will benefit the provinces in Atlantic Canada and about the real difference it is going to make to us as a country to move forward with it? I ask you that, Minister, in all sincerity, because I've heard so much today that is unnecessary at this table while we deal with a bill that is fundamentally important to the livelihoods of people in Newfoundland and Labrador and Nova Scotia.

• (1710)

Hon. Jonathan Wilkinson: Thank you for the question.

We set up a couple of years ago something called the regional energy and resource tables. They were to work individually with every province and territory to identify key areas of economic opportunity and to build on those in a collaborative way with investments, with training and with a whole range of things to accelerate development.

In the context of Nova Scotia and Newfoundland and Labrador, the number one priority for both of them was working on onshore and offshore wind development, both for the purposes of creating a broader and more abundant electricity system and to produce hydrogen. They saw that there was an opportunity to create thousands and thousands of jobs, an enormous add to their gross domestic product, by working collaboratively with us. This bill is the product

of those efforts. It will be a driver of prosperity for people who live in both of those provinces going forward.

That is why Premier Furey and Premier Houston are strongly encouraging every member of this committee to move expeditiously to pass this bill.

Ms. Yvonne Jones: Minister, I want to raise another issue. It has been said here today that this bill will allow Canada to arbitrarily make decisions over the oil and gas industry and over offshore wind, whatever the case may be, in Newfoundland and Labrador and Nova Scotia.

Minister, can you tell us if there's anything in this bill that allows Canada to do that without consulting with the provinces, which are binding partners in Bill C-49, and going through a particular legislative process to make the changes? The consultation and legislative process are necessary.

Hon. Jonathan Wilkinson: The accord acts were developed jointly, and they require joint support. They are meant to be jointly governing this area, the offshore area. That commitment was made legally between Canada and Newfoundland and Labrador and between Canada and Nova Scotia. In order to change the obligations that one or other party has or the way in which things are done, it requires agreement on the part of the province and the federal government.

The Chair: Thank you, Ms. Jones, and thank you, Minister.

We will now go to Mr. Perkins.

Mr. Perkins, go ahead. The floor is yours.

Mr. Rick Perkins: Thank you, Mr. Chair.

Mrs. Shannon Stubbs: I was going to ask the minister when he'll bring forward the ITCs and CCUS that he keeps promising and if they'll do it offshore in Bill C-49.

Mr. Charlie Angus: On a point of order, who has the floor?

Mrs. Shannon Stubbs: He was finishing chewing. I'm sure he could tell me to zip it himself, guys.

Mr. Charlie Angus: That should come out of Mr. Perkins' time.

The Chair: Colleagues, Mr. Perkins does have the floor.

We'll go to you, Mr. Perkins.

Mr. Rick Perkins: Thank you, Mr. Chair.

Minister, I was interested that you brought up EverWind. We had EverWind before the finance committee in pre-budget consultations. I asked the president of EverWind whether he developed any science with regard to the impact of both the offshore windmill locations and the transmission cables on the ocean floor, where they want to put them in the eastern shore off of Guysborough. He said no, none; there was no science. When I asked him if he had consulted with any fishing groups in the discussion of their project, he said no.

Do you believe it's an appropriate way for these organizations to operate to propose a policy that has absolutely no science conducted, in the area they want to do it in, on what it will do to marine species and to not talk to the local stakeholders who earn a living from the sea there?

• (1715)

Hon. Jonathan Wilkinson: Maybe I can explain how this works. There's a regional environmental assessment—which is going on—that will identify areas that are suitable for this kind of development and areas that are not suitable for this kind of development. Once that is done, it enables companies to look at some of those areas to determine if in fact they are interested in applying for the rights.

In that context, the science is being done through the regional environmental assessment, and it will be done through any project-specific assessment that the company puts forward. Of course, the company will also be doing its own science once it knows where it wants to put it, but we're not at that stage yet.

Mr. Rick Perkins: You don't believe the company has any obligation to do any of that work now, before they even start proposing it. His answer to me—

Hon. Jonathan Wilkinson: Well, until you've actually identified—

Mr. Rick Perkins: Just a moment. Don't interrupt me, please.

Hon. Jonathan Wilkinson: —the areas that are suitable—

Mr. Rick Perkins: Minister, don't interrupt me.

Hon. Jonathan Wilkinson: Well, you asked a question.

Mr. Rick Perkins: Don't interrupt me.

Hon. Jonathan Wilkinson: You asked a question.

Mr. Rick Perkins: I'm in the middle of my question.

Some hon. members: Oh, oh!

The Chair: Order.

Mr. Rick Perkins: You can't interrupt me in the middle of my question.

The Chair: Mr. Perkins, I will ask you to hold.

Minister, please hold.

Colleagues, there's a question and an answer. When we finish our question, let's get a complete answer. Then you can come back to your next question. We don't need multiple people speaking in the mics at the same time. It's one at a time.

Mr. Rick Perkins: Mr. Chair, I had the floor. The minister—

The Chair: You asked the minister a question and he gave you an answer.

Mr. Rick Perkins: I wasn't finished. It's not for him to presume when I'm finished.

The Chair: Please proceed with your question.

Mr. Rick Perkins: Minister, you think it's appropriate for a company that's owned by foreign owners to come to Nova Scotia and not talk to the local groups and not have any science. His response to my question was that there's lots of science in Scotland, so they don't need to do any science.

Hon. Jonathan Wilkinson: Well, I wasn't there when he was there. If that was what he said, I wouldn't agree with that. Science is required. It is being developed under the regional assessment. It will be developed under a project-specific assessment. However, until companies know where they will be looking to locate, which will be the product of the regional assessment, I'm not sure what science they'll be able to do. They're not even sure where the location is.

Yes, eventually they will need to do that, but we're not at that stage yet. We're doing the regional assessment work, which is the first step.

Mr. Rick Perkins: They know where they want to put it, so I would say they could start that.

Let's talk about the business case. You mentioned the business case. You've been very condescending to some of my colleagues about it. I have an extensive business background—I know you have—but you understand that if I say I'm going to invest a dollar in something and the government says it will give you \$1.15 back in taxpayer money for every dollar you put in, that's not a very risky situation, which is what's happening with your government. The accelerated capital cost allowance for these projects right now is 75%. In your budget, in the fall economic statement, you put in, in the case of green hydrogen, another 40% input tax credit. That's a 115% credit they can get for spending a dollar.

Without that taxpayer subsidy, which is not only subsidizing all the costs but giving them a profit on it, do you think any money and capital would be coming here to do this, since it doesn't have a business case that says it will produce wind energy at a cost comparable to the energy we already have in our province?

Hon. Jonathan Wilkinson: The investment tax credits don't apply just to hydrogen. They also apply to carbon capture and sequestration and a range of other things, including electricity generation. They are intended to allow us to move forward expeditiously, particularly with new technologies and technologies that are still coming down the cost curve. It is important to put in place measures to stimulate that.

That is no different from what governments around the world are doing. You can have a look at what governments are doing with respect to this kind of stuff everywhere. At the end of the day, Canada intends to be a long-term player in this game, and Nova Scotia and Newfoundland and Labrador intend to be long-term players in this game.

Mr. Rick Perkins: I don't believe the projects can exist without the government essentially nationalizing them and paying for them all through the taxpayer, as they can get back 115% on a dollar they invest.

• (1720)

Hon. Jonathan Wilkinson: The investment tax credits pay only a portion of the capital for a period of time. They expire at a certain period of time, as we've gotten to the point where the market is more mature. We can choose not to pursue these opportunities and let the jobs go elsewhere—and the economic prosperity. If that's what you're suggesting, that's certainly something you could do—

Mr. Rick Perkins: No, my suggestion is that a 115% taxpayer subsidy is not the appropriate thing to—

Hon. Jonathan Wilkinson: —but that is not the view of every other G7 country in the world. That is not the view of the Premier of Nova Scotia. That is not the view of the Premier of Newfoundland and Labrador.

We believe in seizing the economic opportunities that are going to drive the economic future of Canada.

The Chair: Thank you, Minister.

We'll now go to Mr. Blois for five minutes.

Go ahead, Mr. Blois.

Mr. Kody Blois: Thank you very much, Mr. Chair.

Minister, I'll take you back to before Christmas. I don't remember the exact date that Bill C-49 was introduced, but as a Nova Scotia member of Parliament, I assumed that this was going to be a relatively straightforward process. It is a legislative change that enables an existing regulatory agency in offshore oil and gas to be extended the same privileges to regulate the activities of offshore wind, which play into hydrogen and decarbonization.

Call it a gift. Call it whatever you want. I was shocked to see the Conservative Party oppose this. Look, this place is here for us to have legitimate conversation about the angles and issues of the bill, but I haven't heard it. You've been here for almost two hours, and I have yet to hear a substantive piece about what the problem is.

Mrs. Shannon Stubbs: I'm the only who's been citing sections of the bill.

Mr. Kody Blois: Mrs. Stubbs is yelling across the way about the Impact Assessment Act. I'm glad, Minister, honestly, that you have said there will be updates coming in short order, but that is fundamentally different from what we're talking about here. What we're talking about here is the provinces acquiescing. As I hear Mrs. Stubbs yelling—

Mrs. Shannon Stubbs: I have a point of order. I'm not yelling. I'll just say it into the mic.

Kody, just for clarity, I actually cited the sections in Bill C-49 that—

Mr. Charlie Angus: I have a point of order.

Mrs. Shannon Stubbs: —include the unconstitutional sections from Bill C-69. Thanks, Chair.

The Chair: Colleagues, I just want to make sure we use points of order for points of order, not for points of clarification or debate. Let's please refrain from using them as a way to debate or interrupt another member.

Did you have a point of order as well, Mr. Angus?

Mr. Charlie Angus: Yes, Chair, I have enormous respect for you, but I'm here to get work done. I'm here to hear from the minister; I'm not here to deal with interference. I'm here to hear what Mr. Blois has to say. He's a legitimate member. We need to stop this pattern of trying to throw people off and throwing mud.

The Chair: Thank you for that.

Mr. Blois, I'm going to turn the floor back to you, with apologies for the interruption. Go ahead.

Mr. Kody Blois: Mr. Chair, what I was trying to say is that there is a differentiation between the concerns being raised by the Conservative Party in relation to one piece of federal legislation, which the minister said we'll have an update on shortly, and what we're talking about here. This is something the Province of Nova Scotia and the Government of Newfoundland and Labrador have jointly said they want provisions for.

When I hear the Conservative Party here today say that they know better than the province where I live and the governments that have been duly elected in both Newfoundland and Labrador and Nova Scotia, it reeks of condescension, as if that party, the federal party, knows better than the provinces.

Mrs. Stubbs has rightly said the provinces were out saying they support it. I haven't heard a single premier step up and say they don't want to see this legislation advance, even after the court decision. I see these as two fundamentally different things. I see it as an attack on Atlantic Canada.

I only have so much time, Minister, but is there a quick comment you might have on how you see those two things as being different, particularly where there's provincial buy-in?

Hon. Jonathan Wilkinson: I think you've pointed it out. They are very different, and the relationship with them is reasonably well understood. However, I would say that while there has been some controversy with respect to the Impact Assessment Act and some provinces have objected to some of the provisions in that act, nobody who is impacted by this bill at the provincial level is opposing this. They are all strongly supporting it and in fact helped to negotiate it.

I, like you, was gobsmacked that the Conservative Party would oppose this bill. It makes no reasonable sense in any reasonable world.

Mr. Kody Blois: I have a comment, and then I have a quick question, Minister.

There's been a lot made that somehow this—I don't want to frame it in their words—is a back door against the idea of developing oil and gas. I don't see it in that way at all. You've made it very clear that's not the intent of this legislation.

In fact, I want the record to show that for exploratory wells under the Atlantic offshore accord, permitting was for 300 days before the Harper government came into place. During the Harper government's tenure, it went up to 900 days, and our government brought it back down to 90 days. This is oil and gas. This is the thing the Conservatives want to talk about a lot. It is important to the region; I would agree.

There's a slogan, Minister, "technology, not taxes", that we hear the member for Carleton talk about. We hear this trumpeted from the opposition benches. Is this not "technology, not taxes"? We are talking about leveraging an existing emerging technology to help us decarbonize and export around the world. The Conservatives are still against the enabling legislation that allows that to happen. Do you not see that as a bit hypocritical?

Look, they can take issues with carbon pricing and whatever the case may be, but this isn't carbon pricing. This is the technology and industry to drive us, and they're still against it. Can you comment on that?

• (1725)

Hon. Jonathan Wilkinson: I think "technology, not taxes" is a tag line; it's not a strategy. It's not a well-thought-out way of thinking about this.

Technology requires that you think about how you develop technology, demonstrate technology and ultimately commercially deploy technology, including incentives to deploy early stage technologies going forward. It requires thought. You are not simply deploying CCUS because it's a revenue generator. You're deploying it because you're trying to save the planet.

Mr. Poilievre trying to use "technology, not taxes" as a strategy somehow is a bit laughable. This is a guy who was elected out of university. He's never worked on technology. He's never worked in business. He has sat in a green chair for 20 years and is now entitled to whatever pension he's going to be entitled to, but he has zero background in the relevant parts of this business.

Some hon. members: Oh, oh!

The Chair: Thank you, Minister.

Colleagues, once again, a question was asked, the minister answered and other mics were turned on. When this mic comes on, I speak. If you're acknowledged, then you have the floor. The minister is answering today, so if he is asked a question, he gets the floor. Let's try to maintain that order so we can have a good, functioning remainder of this committee.

With that, Monsieur Simard, the floor is yours for two and a half minutes.

[*Translation*]

Mr. Mario Simard: Let's all use common sense. Maybe that will move us along a little bit.

Mr. Minister, I told you earlier that I had some doubts about your willingness to contribute to the energy transition through this bill. I'll tell you why. There have been tax credits for carbon capture and storage strategies, as well as for clean hydrogen since 2023, and there will be one for clean electricity in 2024.

Earlier, I asked you whether Newfoundland and Labrador could already develop offshore wind projects. You told me that the bill had to be passed first. However, in Newfoundland and Labrador's roadmap, in 2023, which was last year, there was already talk about producing five gigawatts by 2025. That's going to take a lot of money. If the federal government supports private projects, it's going to take a lot of money. If we want to turn those five gigawatts into clean hydrogen, that's going to take a lot of money too.

Aren't your strategies contradictory? On the one hand, you're spending money to make clean oil using carbon capture and storage, which seems to me like a passing fad, and on the other hand, you are going to have fairly expensive technologies that will produce a significant amount of electricity. Five gigawatts is huge. It seems to me that there's a dichotomy between the investments you'll have to make in fossil fuels, on the one hand, and the investments you'll have to make in clean energy, on the other.

Shouldn't you just set aside the folly of carbon capture and storage?

Hon. Jonathan Wilkinson: We need to do two things. First, we need to reduce greenhouse gas emissions, of course, in all sectors of the economy, including the oil sector. Second, we need to fight climate change.

However, we also need to have a plan for a prosperous future, and that plan will be different in every province and territory. In the case of Nova Scotia and Newfoundland and Labrador, it's wind and hydrogen.

In the budget, we said that we were going to invest almost \$90 billion in that. It's a lot of money, but it's important.

Mr. Mario Simard: I have one other quick question. I'm wondering—

[*English*]

The Chair: I'm sorry to cut you off, but we're at the end of our time with that.

Thank you, Minister and Mr. Simard. Those were very good questions.

I'll go to Mr. Angus for two and a half minutes.

• (1730)

Mr. Charlie Angus: Thank you, Chair.

Minister, the issue of the climate catastrophe that's unfolding and calling out climate denialism are very important. I look at my family. My mom's a MacNeil. Everyone in her village in Cape Breton left. They went to Ontario, they went to Boston and they went out west because there was no permanent, good employment. In my region, whenever there's a new mining project, the planes are full of people from Newfoundland, and they come to work because there's not enough work at home.

We're talking about the potential to create jobs in construction and permanent jobs in Newfoundland and Labrador and Nova Scotia. I think that's above and beyond partisan bickering, and it should be. We're looking at 471,000 solar and wind jobs in the United States, and we have the Conservatives sitting here saying that the Premier of Newfoundland was hoodwinked. They're saying there's no business case. They're saying they're going to oppose it.

I am really concerned, Minister. If we keep waiting, we will lose this opportunity, because that investment is travelling and it's happening. It's not hypothetical; it's on the ground all over the world but here. How do we get these projects off the ground by working with the people of Newfoundland and Labrador and Nova Scotia?

Hon. Jonathan Wilkinson: It is important that we do this and that we do it expeditiously. None of the work and none of the projects happen unless we have a regulatory system in place. I, like you, thought this was one of those areas where there would be no objection and that we would all come together to just support this bill. I was very surprised when the Conservatives decided they would oppose this.

At the end of the day, we need to ensure that the committee has robust discussions and invites experts to have them, but we need to then move this along. If we are going to achieve the economic development we want to see in these provinces and ensure that we are able to work with our allies around the world on the future economy, we need to see this happen.

The Chair: Thank you.

You had a few extra seconds, but you're turning it back to me, so thank you, Mr. Angus.

Mr. Charlie Angus: Absolutely.

The Chair: We'll now go to Mr. Small.

Go ahead, Mr. Small.

Mr. Clifford Small: Thank you, Mr. Chair.

The member for Labrador accused me of not supporting my province while the production of oil in Newfoundland and Labrador has dropped by half since the Liberal-NDP coalition came to power.

Don't be having that look on your face down there.

Why do you want to shut down an industry that provides 30% of the GDP of Newfoundland and Labrador? Why do you want to destroy that? What's your timeline?

Hon. Jonathan Wilkinson: I have no intention of destroying anything. At the end of the day, I work very closely with Premier Furey and his government. We have done all kinds of work across a range of files, including the oil and gas file. I was involved very much in the conversations around Bay du Nord, so that kind of implication is just silly.

Mr. Clifford Small: Then I heard my friend, the member for Kings—Hants, making fun of “technology, not taxes”. Well, you know what? Natural gas is proven to produce half the greenhouse gases that coal produces. Last year, India and China set a record for coal consumption, and it's going up again. If using natural gas is not technology instead of taxes—

Mr. Charlie Angus: I have a point of order.

The Chair: We have a point of order from Mr. Angus.

Mr. Angus, go ahead.

Mr. Charlie Angus: The Conservatives interrupted me and said I was talking about what wasn't involved. Are we looking at natural gas as part of this agreement? Is that happening off the shore of Newfoundland?

The Chair: Thank you, Mr. Angus, for your point of order.

I want to make sure, colleagues, that we don't use points of order for debate. We use our time to stay relevant to the topic at hand.

Mr. Small, I will go back to you. You can continue on with your line of questioning.

Mr. Clifford Small: Thank you, Mr. Chair.

I'll give you a little education here. Natural gas is one of the petroleum products that this bill is going to have power over the development of. Mr. Angus and his point of order are a pile of baloney.

Why would you want to bring in legislation that's stopping the development of the nine trillion cubic feet of natural gas on the Grand Banks, which would help drop the greenhouse gas emissions of the world by 25%? That's guaranteed if all coal would stop being burned and we used natural gas instead. That's a guaranteed drop in world emissions by 25%. Why are you against that?

• (1735)

Hon. Jonathan Wilkinson: First of all, that's not guaranteed. You have to look at the methane emissions associated with the upstream. You have to look at the emissions associated—

Mr. Clifford Small: I think it's 24%.

Hon. Jonathan Wilkinson: —with how you liquify LNG before you actually ship it. Your case of half relates to Canada versus Japan, but only in the circumstance where you're doing things to fight climate change, which your party opposes.

At the end of the day, natural gas can be part of a transition. That is why LNG Canada phase two is being built. That is why Woodfibre LNG is being built. Certainly companies are free to bring forward, based on their assessment of the future market, projects to go through the assessment process.

Mr. Clifford Small: Thank you.

It's great to hear you acknowledge that natural gas can be part of the solution. If it's part of the solution, and now you've come to this new reasoning and new thought process, why did you not approve all of those LNG plants? There are just two. There were over 15 on the books when you came to power. Given what you're saying now—you know it now—why did it take so long to come to that knowledge?

Hon. Jonathan Wilkinson: First of all, there are three. Second of all, the government didn't turn down any of those projects, if you go back and look at that.

At the end of the day, the question for companies that are proposing LNG facilities going forward is what the market is going to look like going forward. What the International Energy Agency says is that demand globally for oil and for gas will peak in this decade. You have to take that into account to see whether you're going to have stranded assets and whether you're going to be able to pay back the capital. That's up to companies to decide.

Mr. Clifford Small: You mentioned the cost to liquify natural gas. What's the cost to liquify hydrogen? Is there any cost to that?

Hon. Jonathan Wilkinson: It's not the cost to liquify; it's the nature of how you liquify. You can either use natural gas—

Mr. Clifford Small: So we can liquify it with nature.

Hon. Jonathan Wilkinson: —to liquify or use electricity to liquify, but if you use natural gas, the emissions are much higher, and therefore you're not actually gaining a lot when you're displacing coal.

Mr. Clifford Small: How much more time is left, Mr. Chair?

The Chair: It's less than 30 seconds.

Mr. Clifford Small: My God. Thank you very much. That's wonderful.

Right out of the gate, Minister, you talked about your consultations with stakeholders. When did you consult with the FFAW, which is the largest fishing industry stakeholder group in Canada? On what date was it?

Hon. Jonathan Wilkinson: I will ask my officials for the date, but two collective organizations, one of which the FFAW is part of, were part of the conversation.

Mr. Clifford Small: I can tell you. You did not consult with them, because I asked them if you did. You consulted with CAPP afterwards.

Hon. Jonathan Wilkinson: I'm happy to take that away and look at what the dates were, but I'm pretty sure—

Mr. Clifford Small: Yes, you can take that way.

Hon. Jonathan Wilkinson: —the department did speak to them.

Mr. Clifford Small: What about with the United Fisheries Conservation Alliance?

The Chair: Mr. Small, thank you. The time is up.

Thank you, Minister Wilkinson, for your response.

We'll now go to Mr. Sorbara.

Mr. Sorbara, go ahead. The floor—

Mr. Charlie Angus: I have a point of order.

The Chair: Yes.

Mr. Charlie Angus: I thought the meeting was till 5:30 p.m.

The Chair: Thank you, Mr. Angus.

We did start a few minutes late. We'll just finish this round and we'll—

Mr. Charlie Angus: Is that the end of the round?

The Chair: Mr. Sorbara would be the end of the round.

Mr. Charlie Angus: Okay. I would normally say that we need unanimous consent, but since I like Mr. Sorbara on most days, I will not cause any more trouble.

The Chair: I'm sorry, colleagues, but we did start a few minutes late.

Go ahead, Mr. Sorbara.

Mr. Francesco Sorbara: Thank you, Mr. Chair.

I am going to split my time with my colleague and friend from Nova Scotia, MP Blois.

Minister, I'm going to ask a question in French, just to change it up a bit, on the implications of Bill C-49 with regard to our race to a net-zero economy, obviously benefiting our environment.

[*Translation*]

Mr. Minister, what will be the consequences of delaying the passage of this legislation or delaying the race to net zero?

Hon. Jonathan Wilkinson: Countries around the world are taking action to seize economic opportunities. If Canada wants to lag behind other countries, it can wait. However, it would be very bad for the economy of the future. It has to move. It has to take action.

We are taking action now.

● (1740)

[*English*]

Mr. Kody Blois: Minister, I'll take over from here.

I have just a quick question.

We've talked a lot about how this bill enables the development of offshore wind, and for the export of green hydrogen or ammonia, it would be about transportation. However, we still have a lot of electricity in Nova Scotia generated by coal. My understanding is the potential in offshore wind would far exceed the electricity demand in our province.

Can you speak very quickly to not only how this could have export opportunities for green hydrogen, but how it could help Nova Scotia and indeed help meet the demands in central Canada, like in Quebec or other provinces, particularly if we upgrade our transmission, which I know is an ongoing conversation right now?

Hon. Jonathan Wilkinson: Look, there is a need to decarbonize the Nova Scotia grid. We are working very closely with Nova Scotia. I have worked very closely with Premier Houston on this. We are supporting the development of a whole range of things that will help them get off coal and ultimately decarbonize the grid.

Onshore and offshore wind are part of that. A one-gigawatt facility offshore would produce enough electricity for a third of the households in Nova Scotia. If you're looking at building out 15 or 20 gigawatts over time, it's much more than you will need domestically. That creates opportunity for hydrogen, but it also potentially creates opportunities for helping New Brunswick with its phase-out or for transmitting it through new transmission facilities to Quebec, which can use it in the context of intermittent power. They can balance it because they have the big hydro battery. That can enable further exports to Ontario or to the United States.

It is an enormous economic opportunity.

Mr. Kody Blois: Just very quickly—and Mr. Angus talked about this—I'm one of the younger parliamentarians in the country. For my generation, coming out of university there was a huge exodus of people my age who were going to western Canada. Nova Scotia and Atlantic Canada has certainly held its own, in an economic sense, in the federation. There have been a lot of good jobs.

Mr. Angus asked you a question that I want to get on the record so I can tell my constituents at home that this is about creating good jobs. It's not just about the environment. Obviously there are huge environmental impacts from reducing our GHG emissions and being able to move towards a low-carbon economy, but at the end of the day this is really about good, well-paying jobs in rural parts of Atlantic Canada, which I think is extremely important. Can you just quickly allude to that?

If I have any extra time, I'll go to my colleague from Labrador.

Hon. Jonathan Wilkinson: This is the fantastic thing about many of the opportunities that are going to be enabled through this transition. They are going to create good jobs in rural and remote areas, like in critical minerals in Mr. Angus' riding. It's hydrogen in many of the rural communities in Nova Scotia and Newfoundland and Labrador.

That's a huge benefit. It's part of creating a thriving economy in a world that is going to look fundamentally different. If we believe in the science of climate change, things need to change in terms of how we actually do things. This is part of the strategy to ensure that Canada is a leader from an economic perspective moving forward.

Ms. Yvonne Jones: Thank you.

I just want to pick up on the issue with regard to the FFAW and the fisheries sector in Newfoundland and Labrador. In my time in politics, in all of the amendments and changes we've made to the Atlantic Accord bill, I've never known there to be opposition from the FFAW. Certainly if there is, I'd ask my colleague to table it at committee so we can review it.

Obviously, we are huge supporters of the fishing industry in Canada. I'm a former minister of fisheries myself, in Newfoundland and Labrador, and I want to ensure that the fisheries sector—

Mr. Clifford Small: I have a point of order, Mr. Chair.

Ms. Yvonne Jones: —has been consulted and is a big part of what's happening here—

The Chair: Go ahead on a point of order.

Mr. Clifford Small: For the record, I did not say that the FFAW did not support wind energy or this bill in any way. I consulted with

them and they told me they didn't get a phone call while this bill was being formulated.

The Chair: Thank you, Mr. Small, for your point of order. That went into debate.

As time is up, please conclude, Ms. Jones. The floor is yours.

Ms. Yvonne Jones: Thank you.

I'm really glad my colleague clarified that because in my time I've not been aware of it. I certainly want to make sure for the record, Minister, that it's understood that we are very supportive of the fishing industry in all regions of Canada.

The Chair: Give a very quick answer.

Hon. Jonathan Wilkinson: I agree entirely. It is very important that the voices of fish harvesters are heard.

When I was fisheries minister, I had an excellent relationship with the FFAW. They were always very constructive in the workings and dealings I had with them. I'm always very happy to have conversations with them going forward.

• (1745)

The Chair: Thank you.

Minister, thank you for coming today. It's great to have you here. We hope to see you again.

Thank you, officials.

Minister, you are released from today's meeting.

Colleagues, if I could, I'll ask for just a few minutes of your time very quickly on some administrative items. I think it will take a minute or two just to go through these.

Earlier today, the clerk sent out some budgets.

Is it the will of the committee to adopt a study budget for Bill C-50?

Some hon. members: Agreed.

The Chair: Thank you.

Is it the will of the committee to adopt the study budget for Bill C-49?

Some hon. members: Agreed.

The Chair: Thank you.

Is it the will of the committee to adopt the travel budget for Bill C-49 in the amount of \$108,500?

Some hon. members: Agreed.

The Chair: Thank you for that, colleagues.

I want to welcome our now full-time new clerk and analyst to the committee. Our analyst has done a tremendous job to finish off the last year, and our new clerk did a tremendous job today in preparing for Bill C-49.

Some hon. members: Hear, hear!

The Chair: I thank both of you for your hard work and in advance for the hard work ahead you're going to do.

This meeting is adjourned.

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