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**The Speaker:** I have explained how the difference in pagination has come about. I assure the hon. member for Kings—Hants that I cannot read 425 pages of financial terms in about eight minutes but I can assure him that, when the bill is received by the law clerk's office, the proofreading is done at that point. The version that is printed by the House matches what was provided by the department. So in this case we have a difference in pagination that has resulted from the two different systems apparently. The bill is properly before the House. It is the bill that was printed and is available from Journals Branch.

At this point, I am prepared to let debate proceed. I can come back to the House with a further explanation. I understand the hon. Leader of the Government in the House of Commons has assured the House it is the same version so I think we can at this point proceed with the debate.

The hon. Minister of Natural Resources.

**Hon. Joe Oliver:** Mr. Speaker, I seek unanimous consent to split my time with the member for Edmonton—Leduc.

**The Speaker:** Does the hon. member have unanimous consent to share his time?

**Some hon. members:** No.

**The Speaker:** The hon. Minister of Natural Resources.

**Hon. Joe Oliver (Minister of Natural Resources, CPC):** Mr. Speaker, I am pleased to participate in this second reading of the debate of the jobs, growth and long-term prosperity act. This legislation would help bolster economic growth and ensure that Canada's economic and public finances remain sustainable over the long term. Today, I would like to focus on our government's plan for responsible resource development, a critical part of the economic action plan. It is a forward-looking piece of legislation that would help ensure that all Canadians benefit from our natural resource heritage.

• (1550)

[*Translation*]

Our abundant natural resources have always been the foundation of Canada's economy. They are at the very heart of what we have been and what we are as a country. They have fostered the development of entire communities and regions. They have contributed to carving out the character and identity of our people, and they have been a source of great national pride, from the birth of our country to the present. The global economy presents both opportunities and problems and we must make the right choices to ensure the prosperity and security of Canadians for generations to come.

[*English*]

There is a tremendous new global opportunity for Canada to capitalize on its resource development potential to stimulate jobs and growth in a period of global economic uncertainty. We have a country with an enormous amount of natural resources. We are an energy superpower. We are first in the production of potash, second in the production of uranium, third in the production of hydroelectricity and natural gas, and sixth in the production of oil. We have the third largest reserves in the world. We are a mining giant.

Canada is one of the leading mining nations in the world, producing more than 60 minerals and metals. In 2009, more than 220 principal producing mines, more than 3,000 stone quarries and sand gravel pits, and more than 50 non-ferrous smelters and refiners and steel mills were operating in Canada.

Canada is well positioned to benefit from the growing global demand for energy, especially oil. Our oil sands are the third largest proven reserve in the world. As conventional oil supplies are depleted, the International Energy Agency predicts that the world will become increasingly dependent on so-called unconventional sources of oil like that of Canada's oil sands.

As the International Energy Agency has told us time and again, traditional energy sources, oil and gas, will continue to be the dominant energy source for many years to come. In 25 years from now, even under the most promising scenarios for development of alternative energy technologies, fossil fuels will still be providing well over 60% of the world's energy. The demand for oil will be almost 15% higher than today. More and more, the growing demand for oil and gas will come from emerging economies where the appetite for other resources needed to fuel a growing economy is also rising.

Increasing demand for oil and gas and the opening of new markets for minerals and metals represent significant opportunities for jobs and prosperity for Canadians. The good news is that the demand in the world for the kinds of resources that we have in abundance continues to increase day after day, month after month, year after year. As global economic weight continues to shift towards fast-growing emerging economies in Asia and elsewhere, we must act to meet the challenges and take advantage of the opportunities. To do that, we must diversify our markets.

Currently, almost all of our crude oil exports go to the U.S. The U.S. is a great and valued customer, but that oil is being sold at a substantial discount because, quite simply, it has nowhere else to go. It is a buyer's market.

North American crude prices are some \$20 a barrel below the world price and even lower for Canadian heavy crude. When we are exporting about 2 million barrels a day, it adds up to some serious lost revenue, over \$40 million a day at current price differences. This lost opportunity represents lower revenue for producers. According to a recent analysis by CIBC, this price discount could cost Canadian producers \$18 billion of lost revenue this year alone.

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This also represents forgone tax and royalty revenue for governments, so less money to provide essential social services for Canadians. This is the impact of having our crude oil resources locked in by lack of transportation capacity. We have no way to deliver our oil to markets other than the U.S., so we are forced to take just about whatever American refineries are willing to pay. We simply cannot afford to take these kinds of losses year after year. It is costing us billions of dollars in economic activity and thousands upon thousands of jobs. That is why it is so critical for Canada to develop the infrastructure we need to diversify and deliver our oil and gas to new and growing markets, especially in the Asia-Pacific region. In the interests of Canada and Canadians, we need to act and we need to act quickly. Major projects such as pipeline infrastructure must not be subject to unnecessary delay.

The situation is getting even more serious than lower prices. It is estimated that without new export-oriented pipeline capacity, western Canadian producers will have to start putting limits on investment and job creation plans because there will be no way to get any more oil to the market.

We run the very real risk of missing out. With over \$500 billion in potential resource projects over the next 10 years, we have a tremendous opportunity to create jobs and economic growth right across the country. These jobs will be in every sector of the economy, from manufacturing, mining, science and technology, to the services sector. However, this opportunity is not guaranteed. Canada is competing for capital with countries around the world. Fortunately, Canada has a lot to offer: attractive investment opportunities, a competitive tax regime and policies that do not discriminate against foreign companies. I saw the recognition of that opportunity in my trips to China and Japan this year.

Unfortunately, our inefficient, duplicative and unpredictable regulatory system is an impediment. It is complex, slow-moving and wasteful. It subjects major projects to unpredictable and potentially endless delays.

What our country needs is a 21st century regulatory system that protects the environment and is efficient, effective and expeditious. That is why this bill proposes a system-wide approach. With responsible resource development legislation we will focus our efforts in four areas: first, making reviews for major resource projects more predictable and timely; second, reducing duplication in the review process; third, strengthening environmental protection; and, fourth, enhancing consultations with aboriginal peoples.

Allow me to speak briefly about each of these areas.

• (1555)

[*Translation*]

The bill contains a number of measures to make the regulatory system more predictable and timely and to facilitate decision-making with regard to investments and planning.

That means, among other things, implementing reasonable and realistic schedules for reviewing major projects, consolidating the responsibility for environmental assessments to three agencies instead of 40, and focusing our efforts on major projects.

After consulting experts, we believe that the timelines for conducting an independent, objective, exhaustive, scientific study are adequate.

• (1600)

[*English*]

We have consulted with experts, including Gaétan Caron, the chairman of the National Energy Board, so we are comfortable that the delays, the timelines, are in fact adequate. We are also ensuring that our regulatory system has the resources needed to meet these timelines. We have reinvested \$54 million into the major projects management office initiative to enhance the capacity of key regulatory departments and agencies to enable them to focus their efforts on major projects.

Furthermore, while the opposition likes to spread misinformation that the funding for the Canadian Environmental Assessment Agency, or CEAA, has been cut, that is not true. We have renewed its base funding and increased its funding to more effectively carry out aboriginal consultations and environmental reviews on an independent, objective and scientific basis.

We are also ensuring that there is clear accountability in the system. The federal cabinet will make the go, no-go decisions on all major pipeline projects, informed by the recommendations of the National Energy Board. This is already the case for the vast majority of decisions across government, including under CEAA.

We believe that for major projects that could have a significant economic and environmental impact, the ultimate decision-making should rest with elected members who are accountable to the people rather than with unelected officials. Canadians will know who made the decision, why the decision was made and whom to hold accountable.

The bill also proposes measures to reduce duplication and regulatory burden. It would allow provincial environmental assessments that meet the substantive requirements of the Canadian Environmental Assessment Act to be substituted for the federal government assessment. In some cases, the provincial process may be deemed equivalent to the federal process. However, these provisions will only be put into effect if the province can demonstrate it can meet federal requirements.

[*Translation*]

Even though we are making many changes to ensure that the process is efficient, we also want to make the environmental protection more effective. An expedited review is not synonymous with easier approval. We are not choosing between the two. By simplifying the process we are not compromising environmental protection.

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The bill will ensure that we stop reviewing projects that have little to no environmental effect and focus resources on those projects that have the potential for significant environmental and economic impact. This means we will be getting out of reviewing projects like blueberry washing facilities, parking lots, or hockey rinks. Frankly, we should not inconvenience people and waste government resources on paper-pushing exercises.

As a safeguard, the minister of the environment will retain the authority to order environmental assessments on projects he deems need them. Importantly, the bill will introduce administrative monetary penalties from \$100,000 to \$400,000 for non-compliance by proponents with conditions imposed by the regulator.

Budget 2012 also introduced important maritime safety measures. Tankers will be double-hulled. There will be mandatory pilotage, mandatory aerial surveillance and improved navigation tools. We will also be increasing annual pipeline inspections from 100 to 150 and doubling annual comprehensive audits from three to six to identify issues before problems occur.

These measures will significantly increase the safety of major projects on the environment while ensuring the system is efficient.

The last pillar of our responsible resources development strategy is to enhance consultations with aboriginal peoples. The Prime Minister made it clear during the Crown-First Nations Gathering in January that our government takes seriously its duty to consult and accommodate. Our plan for responsible resource development contains several steps to move this agenda forward.

• (1605)

*[Translation]*

For example, consultation of aboriginal Canadians will be an integral part of the environmental assessment and regulation processes. One department or organization will be designated as the sole crown consultation coordinator for the review of specific projects.

The plan also calls for the use of memorandums of understanding and agreements with aboriginal groups and provincial governments in order to clarify expectations for the consultations with regard to project reviews. In addition, our plan helps achieve these objectives by encouraging positive long-term partnerships with aboriginal communities, in order for their members to secure more direct and indirect benefits from new major projects.

*[English]*

Over the last few years, our government has taken several key initiatives to put Canada ahead of the curve in today's highly competitive global economy. We reduced personal and corporate taxes. We invested in science and technology, alternative energy and environmental protection. We negotiated free trade agreements, reduced red tape and the regulatory burden and tackled government waste.

Our government's agenda is all about long-term growth, employment, prosperity and security for Canadians across the country. Responsible resource development is at the heart of that agenda. To

capture the promise of jobs, growth and prosperity from our immense natural resources, the time to act is now.

Taken together, these system-wide measures will ensure our regulatory system is more accountable, efficient, effective and responsive to the needs of all Canadians.

**The Acting Speaker (Mr. Bruce Stanton):** Before we go to questions and comments, I wanted to bring to the attention of the House that arising from the point of order brought forward by the hon. member for Kings—Hants and with subsequent interventions by the government House leader, the opposition House leader and the hon. member for Wascana, I am pleased to report to the House that the office of the Law Clerk and Parliamentary Counsel responsible for the printing of bills can confirm that the text included in the version of Bill C-38 tabled in the House on April 26, 2012, is identical to the text found in the copy printed after first reading of the said bill, as distributed to all members of the House.

The version of the bill distributed to members on April 26 was a photocopy of the secret copy of the bill prepared by the Department of Justice. The version distributed to members after first reading is produced by the House administration—in particular, the office of the Law Clerk—and the difference in text and number of pages is due to the electronic preparation of the bill in House software.

The text is identical and has been reviewed by legislative editors working in the Law Clerk's office. Except for a few pagination differences, it is identical in all respects.

I thank hon. members for their interventions on this matter.

We will now go to questions and comments.

The hon. member for Parkdale—High Park.

**Ms. Peggy Nash (Parkdale—High Park, NDP):** Mr. Speaker, the bill is quite remarkable because although it is ostensibly the budget implementation act, about one-third of the bill is focused on gutting our environmental protections.

Just as the previous speaker indicated, the hon. minister's priority is about getting oil out of the ground and getting it out of the country as quickly as possible.

If the minister's goal is simply to hasten the approval of pipelines and to make sure that his colleagues in the oil and gas sector advance their businesses as quickly as possible, regardless of the wishes of local communities, why did he not recommend excluding the environmental provisions from the bill and putting them in a separate bill, so that we could properly debate and adequately scrutinize them and make a proper decision on behalf of Canadian interests to protect our environment?