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The Honourable RAYMONDE GAGNÉ,
Speaker

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THE SENATE

Thursday, October 9, 2025

The Senate met at 1:30 p.m., the Speaker in the chair.

Prayers.

SENATORS' STATEMENTS

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of R.J. Simpson, Premier of the Northwest Territories; Danny Gaudet, Leader of the Dëłıne Got'ıne Government; and Dr. Joe Dragon, Senior Envoy to the Government of Canada. They are accompanied by other members of the Council of Leaders from the Northwest Territories. They are the guests of the Honourable Senator Anderson.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

DISABILITY TAX CREDIT

Hon. Victor Boudreau: Honourable senators, “the true measure of any society can be found in how it treats its most vulnerable.” This may be the most Canadian thing ever said by a non-Canadian.

I'm sure many of you recognize these famous words. They belong to one of the greatest advocates for inclusion and empathy the world has ever known. Through his deep moral convictions, Mahatma Gandhi paved the way for a renewed wave of humanism in the second half of the 20th century. Nearly 80 years after his death, sadly, the wave seems to be receding, even here in Canada.

[Translation]

Despite our good intentions, we are failing the most vulnerable members of our society.

The new Canada Disability Benefit has been in effect for just over three months now.

Even the maximum amount of \$200 per month is a long way from lifting Canadians with disabilities out of poverty, which is the program's intended goal.

Unfortunately, it is not just the benefit itself that falls short. It is difficult for people to qualify for the benefit because they first have to be eligible for the federal Disability Tax Credit, or DTC.

A few months ago, I was talking with a former colleague, a former senior official who worked for years at the highest levels of government. He has a young child with a disability, and he told me how hard it is, even for him, to figure out the complex process for applying for the DTC.

That leads us to the following problem. To be eligible for the DTC, a person must pay taxes. However, many of the people who the Canada Disability Benefit is supposed to be helping the most, those living in abject poverty, can't get this benefit because they don't earn enough money to be eligible for the tax credit.

That is only the tip of the iceberg. Only a fraction of Canadians with disabilities are eligible for the benefit because of the many problems with these programs. Even fewer of these individuals manage to get out of poverty.

[English]

Of course, there are solutions. This is budget season. Advocates are currently pressing for changes, including increasing the federal benefit, removing the Disability Tax Credit requirement and allowing anyone who already receives a provincial or territorial disability benefit to automatically qualify for the federal benefit. I'll be adding my voice to those pushing for these changes, and I hope some of you will consider doing the same. Thank you. *Meegwetich*.

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Andre De Grasse, seven-time gold medal-winning Canadian Olympian. He is the guest of the Honourable Senator Hay.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

TEAM CANADA

Hon. Katherine Hay: Honourable senators and distinguished guests, today I rise to recognize the champions of champions: Team Canada, our Olympic heroes. They represent our country in an incredible way in every sport, in Canada and around the world.

This is what I know to be true: The hardest part is often getting to the start line, and then comes that extra gear, the focus, trusting in their training, in themselves and in their team.

Here's what else I know to be true: True champions of champions have grit and perseverance, enormous ability, leadership and courage, but they also do something extraordinary. They have a drive to have an impact in their communities, in their country and for their country — public service.

Here in this chamber, honourable colleagues, we have two incredible champions of champions. One of them is among Canada's most decorated Olympians, also with three gold medals, Senator Marnie McBean from Ontario.

Hon. Senators: Hear, hear!

Senator Hay: And we also have Senator Chantal Petitclerc, the most decorated female track athlete in the world, with 21 medals.

Now I turn to Andre De Grasse, a true champion on the track and off for all youth in Canada. He has participated in three Olympic Games, five World Athletics Championships and two Pan American Games, and he has seven medals and counting.

• (1340)

Yesterday, a youth member from the Ottawa Lions Track and Field Club asked him, "Do you ever want to quit?" He paused and — I'm going to paraphrase him — said:

Yeah, many times — there are setbacks, injuries, even doubt — but you find that extra gear, a bit more strength, dust off, focus forward and keep sprinting —

— and in his case, very fast.

Let me tell you something else about this champion of champions: He also focuses on making a difference. In the early days of COVID, Andre reached out to me and said he was worried about our youth and wanted to help. He worked with a young person, Jesse, and his father, and they launched the virtual movement Race With Me! that rippled across Canada. Kids were racing with Andre during COVID. He raised awareness about how it's okay to not be okay. He helped kids know that there was something else that they could do. That is empowerment.

When I had the privilege of joining you at your high school in Markham, Ontario, a year later, those kids came to race with you, Andre, but also to thank you. They, too, were champions.

My friend, not only have you inspired this country, but you have impacted and saved lives. Andre De Grasse, commonly — and cutely — known as "De Grasse," is a champion of champions.

Canada needs to invest in our Olympic athletes. We need to invest in sports for young athletes of all kinds, at all levels and in every community, not only for mental health and well-being but for future Olympic athletes and Team Canada.

From my heart, Andre, thank you for everything that you have done for all of us.

Hon. Senators: Hear, hear!

[Senator Hay]

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Bonnie Rempel and Bruce Williams as well as Jenelle Williams and Jamie van der Raadt. They are the guests of the Honourable Senator Muggli.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

[Translation]

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Angus LeFort, founder of CKJM community radio in Chéticamp. He is accompanied by his spouse Carmel Lavigne. They are the guests of the Honourable Senator Aucoin.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

CHÉTICAMP COMMUNITY RADIO

Hon. Réjean Aucoin: Honourable senators, I rise today to mark the thirtieth anniversary of Chéticamp's community radio station, CKJM. In the gallery today, we have its founder, Angus LeFort, and his wife, Carmel Lavigne, whose vision and determination made this dream a reality.

CKJM is the voice of our community, a tie that has bound us for three decades. It broadcasts our language, our music and our culture to homes around the region and well beyond, with rebroadcast transmitters in Pomquet and Sydney, and on the internet.

Before CKJM came on the air, most people tuned in to English radio stations. Our artists didn't know other Acadian, Quebec or francophone artists from elsewhere. Thanks to this radio station, francophone and Acadian songwriters have made countless connections, and our singers have played to the packed arena in the Magdalen Islands many times. That had never happened before CKJM.

For the Acadian region of Chéticamp, community radio is crucial to battling the disappearance of our culture and language. Over that 30-year period, the number of people speaking French at home declined by 43% in our region. Only 1,700 Acadians still speak French at home. I can't imagine what would have happened had CKJM not gone on the air.

Mr. LeFort always believed that our community deserved its own radio station. CKJM gave a platform to our home-grown artists. Many of them have left us, but their music lives on at CKJM.

He also coordinated the production of two CDs featuring local artists, entitled *Un suête musicale en Acadie*. I should explain that a "suête" is a southeast wind.

CKJM is a member of the great Alliance des radios communautaires du Canada family, which now includes 28 radio stations broadcasting in seven provinces and two territories.

On October 6, 1995, Daniel Aucoin was the first host to take the microphone with Nicole Deveau and Ginette Chiasson.

Congratulations to you and to the other radio hosts who have made and continue to make CKJM a station people love to listen to, and thank you to its founders, volunteers, musicians and loyal listeners.

Long may the airwaves of Chéticamp continue to ring with warm, proud voices from our corner of Acadia.

Thank you. *Meegwetch*.

Hon. Senators: Hear, hear!

[*English*]

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of a group of young Black leaders from Developing Young Leaders of Tomorrow, Today's Lead Like A Girl program. They are the guests of the Honourable Senator Bernard.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

[*Translation*]

CO-OP WEEK

Hon. Lucie Moncion: Honourable senators, I rise today to highlight Co-op Week 2025, which will take place from October 12 to 18. I would also like to take a moment to note that the United Nations has proclaimed 2025 the International Year of Cooperatives. Under the theme "Cooperatives Build a Better World," the United Nations recognizes the significant contribution made by co-operatives and their role in sustainable development. This is a dual opportunity for us to celebrate the co-operative model in Canada and around the world.

On September 23, I teamed up with Senator Coyle and Co-operatives and Mutuels Canada to co-host a co-operative networking breakfast, bringing together parliamentarians and leaders of the Canadian co-operative movement. At the event, we heard from a panel of experts on the co-operative advantage.

Marie-Josée Paquette, Marc-André Pigeon, Cassia Kantrow and Mike Tøye treated us to an enriching discussion on the strengths of the co-op model in the face of Canada's current and future challenges.

[*English*]

Co-operatives and mutuals in Canada play a vital role in supporting communities. They contribute to key promises of our government: affordability, housing solutions and clean growth. They also stimulate regional economic growth by investing locally, creating jobs and providing long-term benefits for both individuals and communities across the country.

Despite being closely aligned with key government goals and Canadian values, co-operatives are often overlooked by policy-makers.

This week is an opportunity to highlight the co-operative advantage and the sector's potential as a government ally. By developing supportive policies, improving access to resources and recognizing the value of co-operatives, we can help scale the sector's impact, which can lead to meaningful and lasting improvements in the lives of Canadians.

[*Translation*]

Whether in finance, agriculture, retail, housing, labour, renewable energy or other sectors, co-operatives are a proven model and a key solution to the contemporary challenges we face today. Let's make sure that the co-op model is included in the political discussions that are shaping our collective future.

Thank you for listening.

Hon. Senators: Hear, hear.

[*English*]

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw your attention to the presence in the gallery of Michael Walsh and Trudy Taylor-Walsh. They are the guests of the Honourable Senator White.

On behalf of all honourable senators, I welcome you to the Senate of Canada.

Hon. Senators: Hear, hear!

[*Translation*]

JOYCE ECHAQUAN

Hon. Michèle Audette: [*Editor's Note: Senator Audette spoke in Innu-aimun.*]

I want to thank the Anishinaabe people for welcoming us every day. I also want to thank the people who come from various territories.

Today I rise with a historical reminder. For millennia, autumn was a time when we were already settled in, after a long portage around our territories.

• (1350)

It took a lot of strength and resilience, but for decades, autumn has been a very emotional time, a time to remember and to commemorate, a time of pain, but also of healing and hope. Let's spare a thought for Joyce Echaquan, who passed away in horrendous and unacceptable circumstances on September 28.

Thank you, Carol and Diane, for reminding us that life must go on, but that we, your allies, both men and women, must walk beside you.

On September 30, for our mothers, our fathers, our uncles and those who also left us in horrific circumstances, reconciliation is about collective efforts, whether they be legislative, economic or other efforts, and reconciliation brings healing.

I want to tell all the people we are slowly finding thanks to technology, but especially thanks to the power of people's words, that they really did exist.

For all those who have a hard time believing these big truths, I would invite you to come and live at my house for a month to awaken your five senses to a collective history and collective strength.

On October 4, we also remember our stolen sisters, our daughters. Because they were Indigenous women, they were targeted for centuries, not just in recent times, but for far too long.

We must also remember our sisters in spirit. Thank you for guiding us during the national inquiry and for reminding us that there are calls for justice that must be honoured. I'm sending my warmest regards to you in the land of the caribou, and I want you to know that there are many of us walking alongside you. Thank you very much.

[English]

TEAM CANADA

Hon. Chantal Petitclerc: Honourable senators, I too want to highlight that yesterday on Parliament Hill we had the privilege of welcoming members of the Canadian Paralympic Committee and the Olympic Committee along with two incredible athletes, Andre De Grasse and Cindy Ouellet.

[Translation]

With the next winter games just over 100 days away, their visit reminded us of the tremendous pride our athletes feel when they represent Canada internationally with excellence, courage and heart.

[English]

Andre spoke of the pride of carrying our flag and inspiring a whole nation. Cindy, five-time Paralympian, neurology doctoral student, leader and advocate, reminded us that sport is not only about medals but about inclusion, resilience and safe sport.

[Senator Audette]

[Translation]

Their message is clear: Sport must be accessible to all because it transforms lives, improves health, and builds a sense of belonging and collective pride.

[English]

As we look ahead to the games, let us remember that behind every podium moment are years and years of training, dedication and hard work, with the essential support of coaches, family and friends. For it to be possible, yes, continued federal investment in sport is a must.

[Translation]

Supporting sport is not an expense, it's an investment in our youth, in the health of our communities, and in the inspiration that unites the entire country.

[English]

Let's get ready to cheer for Team Canada in about 100 days and continue building a country in which, as Cindy says, "Anything is possible when we choose to include."

Thank you, *meegwetch*.

[Translation]

ROUTINE PROCEEDINGS

NATIONAL FINANCE

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXAMINE AND REPORT ON FEDERAL PROGRAMS AND INITIATIVES TO SUPPORT THE CREATION OF HOUSING

Hon. Éric Forest: Honourable senators, I give notice that, at the next sitting of the Senate, I will move:

That the Standing Senate Committee on National Finance be authorized to examine and report on federal programs and initiatives to support the creation of housing, including, but not limited to, the:

- (a) launch of the Build Canada Homes agency and how it will coordinate its operations with those of the Canada Mortgage and Housing Corporation in the delivery of affordable housing programs;
- (b) conversion of federal lands into opportunities for housing development;
- (c) off-site construction;
- (d) role of municipalities; and
- (e) development of affordable housing;

That the committee submit its final report to the Senate no later than March 31, 2026, and that the committee retain all powers necessary to publicize its findings for 180 days after the tabling of the final report; and

That the committee be permitted, notwithstanding usual practices, to deposit its reports on this study with the Clerk of the Senate, if the Senate is not then sitting, and that the reports be deemed to have been tabled in the Senate.

[English]

ORDERS OF THE DAY

ADJOURNMENT

MOTION ADOPTED

Hon. Patti LaBoucane-Benson (Legislative Deputy to the Government Representative in the Senate), pursuant to notice of October 8, 2025, moved:

That, when the Senate next adjourns after the adoption of this motion, it do stand adjourned until Tuesday, October 21, 2025, at 2 p.m.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

(Motion agreed to.)

RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

COMMITTEE AUTHORIZED TO REFER PAPERS AND EVIDENCE FROM FIRST SESSION OF FORTY-FOURTH PARLIAMENT TO CURRENT SESSION

Leave having been given to proceed to Motions, Order No. 54:

Hon. Peter Harder, pursuant to notice of October 8, 2025, moved:

That the papers and evidence received and taken and work accomplished by the Standing Committee on Rules, Procedures and the Rights of Parliament pursuant to rule 12-7(2) during the First Session of the Forty-fourth Parliament be referred to the committee.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

(Motion agreed to.)

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, it is now 2 p.m. Before proceeding to Question Period with the minister, I would like to remind you of the time limits the Senate established for questions and answers in the order of June 4, 2025.

When the Senate receives a minister for Question Period, as is the case today, the length of a main question is limited to one minute, and the answer to one minute and 30 seconds. The supplementary question and answer are each limited to 45 seconds. In all these cases, the reading clerk stands 10 seconds before the time expires.

I will now ask the minister to enter and take his seat.

• (1400)

[Translation]

QUESTION PERIOD

(Pursuant to the order adopted by the Senate on June 4, 2025, to receive a Minister of the Crown, the Honourable Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources, appeared before honourable senators during Question Period.)

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, today we have with us for Question Period the Honourable Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources, to respond to questions concerning his ministerial responsibilities. On behalf of all senators, I welcome the minister.

Minister, as I have noted to the Senate, a main question is limited to one minute, and your response to one minute and 30 seconds. The question and answer for a supplementary question are both limited to 45 seconds. The reading clerk stands 10 seconds before these times expire. I ask everyone to respect these times. Question Period will last 64 minutes.

[English]

MINISTRY OF NATURAL RESOURCES

FOREIGN INVESTMENT IN NATURAL RESOURCES

Hon. Leo Housakos (Leader of the Opposition): Minister, thank you for accepting to come before the Senate. After a decade of Liberal red tape and stalled projects, the result is clear: Investments are leaving Canada. Enbridge now invests two thirds of its \$30 billion a year in the United States, where they say, "The opportunities are better." Imperial Oil is cutting 900 jobs, most of them in Calgary. Your government has added yet another layer of bureaucracy with Bill C-5 instead of repealing its own anti-energy laws like Bill C-69 and Bill C-48 and the oil and gas emissions cap.

Why create a new law to bypass your own barriers rather than simply abolishing them? With this irresponsible approach, you are fuelling the American economy while the Canadian economy, minister, continues to suffer.

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Thank you for your question, senator. I would invite you to come with me on some of the trips I have been on in the last few weeks. I was in the Gaspé Peninsula this past weekend where there is a new multi-billion-dollar smelter being built and where we just provided funds for two new phosphate mines in Quebec. I was recently in Strathcona where they are building a multi-billion-dollar carbon capture and sequestration infrastructure, one of the world's largest. I was recently in Squamish where the Squamish Nation is building a multi-billion-dollar export facility. I was recently in Kitimat where they just finished a multi-billion-dollar aluminum project. They have just started up and were shipping the first Canadian liquefied natural gas, or LNG, to international markets. We are in discussions about doubling the size of that, making it the second-largest LNG facility in the world. And we just green-lit the Ksi Lisims LNG project, so I would respectfully say that Canada is building right now.

Senator Housakos: Minister, your trips are nice and dandy and that perspective is interesting, but the truth of the matter is the stats don't lie. International foreign investment is flooding to the United States compared to Canada, and our foreign investment in this country is at the lowest level it has been in over a decade. These are the facts, minister.

You promised to make Canada an energy superpower capable of standing up to the Americans. And now you are considering reviving the Keystone XL pipeline, not because Canadians asked for it but because Donald Trump asked for it. Is this the Liberal vision of strong sovereignty: promising to stand up to the Americans only to end up obeying Donald Trump?

Mr. Hodgson: Again, respectfully, I would disagree with this perspective. Canada is building strong. Our Prime Minister set a goal for our new government to attract \$500 billion of new investment to Canada. In the first five projects that we announced as part of our Major Projects Office, \$60 billion of private sector money has been attracted in just those five projects. There are many more like the Ksi Lisims LNG project and like the project I saw in Saguenay. I would respectfully say Canada is building, and it is building at a pace that it has not done in a long, long time.

ENERGY SECTOR

Hon. Leo Housakos (Leader of the Opposition): You are absolutely right, minister. We are building at the slowest pace that we have ever built in the history of this country.

Minister, in September, more than 90 leaders from Canada's energy sector, including those from Suncor, Enbridge, TC Energy and Canadian Natural Resources Limited, or CNRL,

wrote to Prime Minister Carney for the third time, calling for five clear changes: streamline regulations, speed up project approvals, repeal anti-development laws, remove the oil and gas emissions cap and promote Indigenous investment. These leaders, who represent millions of jobs and billions in economic benefits, said that they share the vision of a Canadian energy superpower.

Six months later, nothing has changed in any of these conditions. Why has your government not implemented the changes that the industry has requested?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Respectfully, senator, I think it is interesting that Premier Smith — who tends to be a pretty harsh critic — said she has never been as optimistic about the prospects for Canada. She is very constructive in working with this government. I think we seem to be doing a reasonably good job on that front.

Senator Housakos: Minister, I will repeat: Can you tell me which one of these five conditions you have ticked off: streamline regulations, speed up project approvals, repeal anti-development laws, remove the oil and gas emissions cap and promote Indigenous investment? Has any one of these happened?

This letter was not one of opposition, minister. It was an offer of national collaboration with the government, signed by those who create this country's wealth and want to work with your government. Why did you ignore these leaders, minister? Was Mark Carney's promise to make Canada an energy superpower merely a campaign talking point? And I say that as someone who has been in politics for a long time. We need to deliver in order to maintain credibility with the Canadian electorate.

Mr. Hodgson: Senator, I have been in business for a long time, and I've been building things for a long time. This government is making it easier and more effective to build. As the Prime Minister has said, it's not about "if" — it is about "how."

We passed Bill C-5, which included the Building Canada Act, with the support of the opposition. There are five criteria laid out in there that we are working toward. We've already announced the first set of projects. The second set of projects will be announced by Grey Cup day, the third set will be announced by Stanley Cup day and then we will have another set by World Cup day.

CRITICAL MINERALS STRATEGY

Hon. Rosa Galvez: Minister, as of September 2024, before Bill C-5, 504 major projects were already under construction or planned over the next 10 years in Canada's energy, forestry and mining sectors, with a combined potential capital of \$630 billion-plus. In Quebec alone, the *Plan québécois des infrastructures 2024-2034* announced \$153 billion, including \$87 billion to ensure the sustainability of public infrastructure.

[Translation]

I'd like to talk about the specific case of the Île d'Orléans Bridge. The new bridge will be designed and built by a Spanish consortium using Spanish steel, even though the Quebec company Canam had also submitted a bid. How do you plan to not only promote Canadian businesses, but also give them the tools they need to win this kind of call for tenders?

[English]

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: We have made it a policy going forward that major projects will buy Canadian and use Canadian whenever possible. There will be some situations where there isn't a Canadian product or there isn't a Canadian competitor, but where there is, we will have preference for and favour for Canadian competitors and Canadian products.

• (1410)

Senator Galvez: Beyond the raw materials used in this project, it is important that we focus on a value-added strategy. We should transform raw materials here to boost economic output, innovation, higher-paying jobs and competitiveness. How do you plan on adding value through the supply chain, especially since President Trump's policies are already provoking a shift from manufacturing here in Canada to the United States?

Mr. Hodgson: The Prime Minister announced the critical minerals-buying initiative, or the Canadian Critical Minerals Strategy. We are working with our allies to create more opportunities for Canadian critical mineral mines to be developed in this country, along with processing facilities. I am actively working with our allies in the G7 and with our NATO allies to put contracts together. We will have a G7 energy and critical minerals ministers meeting at the end of October in Toronto, where I expect there will be multiple announcements of new investments by —

The Hon. the Speaker: Thank you, minister.

RENEWABLE ENERGY

Hon. Mary Coyle: Minister Hodgson, a very warm welcome to you.

On September 21, senators and members of Parliament hosted the Canadian Youth Climate Assembly here in the Senate Chamber. The assembly members came together to answer the question, "What do young Canadians want Parliament to do to meet Canada's climate commitments in a way that reflects their values and priorities?"

One of the key recommendations was to support interprovincial and interterritorial cooperation on connecting east-west and north-south electricity grids powered by clean energy. Later that same week, representatives from labour, municipalities, Indigenous groups and environmental

organizations came to Parliament seeking a national east-west grid powered by renewables as a nation-building project. This national green grid was also, as you know, an election promise. How do you see that unfolding?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Thank you for the question. As the former chair of the board of the largest publicly traded transmission and distribution company in the country, the topic is near and dear to my heart. I would point out that one of the projects referred to the Major Projects Office was the Wind West development, which would be a visionary project that would connect the four Atlantic provinces to Quebec and potentially Ontario through a national transmission grid. It would enable the development of onshore and offshore wind in the Maritimes, which would be great from an economic perspective.

The Prime Minister also called out the Red Chris mine in the Major Projects Office as the first step in the Northwest Critical Conservation Corridor, which would involve transmission lines connecting the Yukon, B.C. and Alberta. The work is under way.

Senator Coyle: Godspeed with all of that, minister. I am also curious what the government is planning to do to incentivize and support renewable energy development and get clean energy projects built quickly across Canada as part of making Canada the world's leading energy superpower, which was also, as you know, an election promise.

Mr. Hodgson: As you know, we've been talking about clean technology investment tax credits, or ITC credits, which will have a significant impact on the ability to build interprovincial transmission lines. It will also be important to the development of zero-emission nuclear power, which was another one of the major projects.

We will be the first country in the world to be producing commercial small modular reactors. The first one is under construction. There are three more planned, with potential to roll those out to other countries as well. The clean technology ITC credits are an important part of that. That will be coming in the budget.

RING OF FIRE DEVELOPMENT

Hon. Mohammad Al Zaibak: Honourable minister, thank you for being with us today. As you know, the Ring of Fire holds enormous potential for Canada's economic future. It is rich in critical minerals needed to power electric vehicles, renewable technologies and clean-energy industries, yet this potential will remain locked underground without the infrastructure to access it.

Minister, can you tell this chamber what concrete plans your department has to build and fund the roads, power and transportation infrastructure required to connect the Ring of Fire to Ontario's broader economy?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Thank you for the question. The goal of this government is to attract private sector proponents to build projects. It's not to spend public money. What we need is private sector proponents to come forward with proposals.

Those proposals need to be constructive when compared to our climate goals, and they need to have the support of the affected First Nations. When proposals come forward around the Ring of Fire that meet those criteria, we will do everything we can to incentivize them if it is a major project.

Additionally, we are negotiating a "one project, one review" very important process that says if the provincial governments have an equivalent process to the federal government's and they approve a project, the federal government will rely on that. In the case of Ontario, they have the right to negotiate under "one project, one review" and to take the lead there. We would absolutely be constructive if we negotiated under the "one project, one review" and they took the lead on the Ring of Fire.

Senator Al Zaibak: Thank you, minister. As you know, without physical access, the Ring of Fire will remain a vision on paper. It will remain a promise. Will your government commit to a clear infrastructure road map with timelines, cost-sharing with Ontario and guaranteed inclusion of Indigenous communities — as well as attracting foreign and local investment — so that the Ring of Fire becomes not only a mining project but also a transformative link connecting northern Ontario to opportunities across Canada?

Mr. Hodgson: Roads within a province are the responsibility of the province. If Ontario wants to take the lead on a road, propose that coming forward and put up the money, we will absolutely do everything we can to be constructive, but a road is a provincial responsibility.

PORT OF CHURCHILL

Hon. Marty Klyne: In August, the Prime Minister indicated that new port infrastructure projects would soon be announced in the next tranche of nation-building projects, including in Churchill, Manitoba.

You've spoken of the tremendous potential to expand Churchill into a major export hub linking Prairie resources to Europe and other global markets. With strong support from Prairie provinces, this could enhance trade, resource development and Canada's energy transition. Northern Manitoba, rich in critical minerals and rare earth elements, is seeing record investments in exploration to support green technologies and NATO's supply chains.

However, previous efforts were stalled by sea ice conditions and outdated insurance policies limiting the shipping season. Given that climate change has reduced those ice barriers, has the insurance issue now been resolved, and is the federal government ready to advance Churchill's expansion?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Ships getting insurance is the responsibility of a shipping company. I don't see the federal government stepping in and becoming an insurer of shipping. What we are certainly prepared to do is work with the Port of Churchill to make it an attractive place for many Canadian industries to ship their natural resources, their agricultural projects and other commodities through.

• (1420)

You mentioned the shipping season. Canada has 20 different icebreakers on order. Those icebreakers should help extend the shipping season. With the warmer weather and the icebreakers, I suspect that we can deal with all of these problems.

Senator Klyne: Thank you. To clarify, my question was regarding the icebreakers.

You have mentioned the potential for expanded shipping for most of the year, thanks to the procurement of that new fleet of icebreakers for the Canadian Coast Guard. Given the implications for northern ecosystems and Inuit land titles, could you confirm whether relevant Indigenous communities have been meaningfully consulted about potential year-round ice breaking and whether they've expressed support for this plan?

Mr. Hodgson: Crown-Indigenous Relations and Northern Affairs Canada would take the lead on that. I know there has been consultation. Obviously, the Port of Churchill is owned by a group of First Nations, and I believe they are in consultation and are taking the lead on consultation with affected Inuit. I know that Minister Chartrand and Minister Gull-Masty have been intimately involved in any obligations with the federal government from a consultation perspective, and my understanding is that we are meeting all of those obligations.

Senator Klyne: Thank you.

OIL AND GAS POLLUTION CAP

Hon. Denise Batters: Minister Hodgson, it is my understanding that you have committed to Alberta Premier Danielle Smith behind closed doors that you will lift the emissions cap. Is that true? Is that your government's plan? If so, when will you do it?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: As I have said many times, we are in discussions with the Province of Alberta. They are live, ongoing discussions. I've never found it helpful to debate in a public forum what those consultations are.

What I would say is that they are productive conversations, and as Premier Smith said recently, she has never been so optimistic that there is a path forward for Albertans on natural resource development.

Senator Batters: Minister, can you at least confirm that you are not promising one thing on your emissions cap behind closed doors in Alberta and something different to other premiers?

Mr. Hodgson: I can confirm that we do not say one thing to one premier and something different to another — yes.

Hon. Salma Ataullahjan: Minister, across Canada, Indigenous communities are leading the way in responsible energy development, from the Nisga'a and Haisla Nations in British Columbia, who are co-owners of the major Liquefied Natural Gas, or LNG, projects, to the 36 First Nations who have invested over \$700 million for a 12.5% equity stake in Enbridge's Westcoast natural gas system. These partnerships are creating jobs, revenue and self-determination.

These are tangible examples of economic reconciliation, yet many Indigenous leaders warn that the federal oil and gas emissions cap would threaten these hard-won opportunities.

Can you tell us what your government is doing to ensure that Indigenous-owned oil and gas projects are not undermined by federal restrictions that risk discouraging investment and economic development?

Mr. Hodgson: Thank you for the question.

I was with Chief Clayton of the Nisga'a Nation last night actually, talking about their project. I think they are quite pleased with the support they are receiving from the government. Last week I was with Chief Nyce of the Haisla Nation, which is responsible for LNG Canada Phase 1, LNG Canada Phase 2 and Cedar LNG, and I think they are quite pleased with the involvement of the government in supporting their efforts.

I was with Chief Ian Campbell a couple of weeks ago in Squamish at the Woodfibre LNG facility, where we are working with them to grow their ambitions for their First Nation. I believe Chief David Jimmie, who led the investment by the 19 First Nations in the Westcoast pipeline, is also quite happy with the support they have received in terms of the Indigenous Loan Guarantee Program so that First Nations could buy equity in the largest infrastructure system in British Columbia.

Senator Ataullahjan: Minister, the Parliamentary Budget Officer's analysis shows that the proposed oil and gas emissions cap could cost over 40,000 jobs and 54,000 full-time equivalents by 2032. Meanwhile, the Indigenous Resource Network warns of a looming labour shortage in the energy sector of up to 116,000 jobs by 2035, with Indigenous workers essential to meeting that demand.

If investment keeps moving south because of Canada's regulatory barriers, it won't be just dollars leaving. It will be a setback for energy independence and economic reconciliation.

Will your government pause or reverse the proposed cap to protect these opportunities?

Mr. Hodgson: Well, I was just up at Kitimat where there were 12,000 workers building LNG Canada Phase 1. I was just at the Woodfibre LNG site where there are 3,000 workers building the Woodfibre facility. I was just with Chief Clayton — they just got approval, by the way, for the Ksi Lisims LNG, which will, I think, have 20,000 workers between the LNG and the pipeline that they will be building, so I think there are a lot of jobs being created in Canada if we stay on the right path.

BATTERY PRODUCTION AND INNOVATION

Hon. Tony Loffreda: Minister, thank you for joining us.

Last week you announced over \$22 million in federal investment to support eight projects aimed at accelerating battery innovation and production capacity in Canada, including two in my home province of Quebec.

I do support our national ambition to become a global leader in the electric vehicle and battery supply chain; however, I remain concerned about the recent slowdown in EV sales and the potential impact on this emerging sector.

Could you provide us with an update on the total financial commitment that the government has made to this sector to date and share your projections in terms of return on investment, job creation and how we plan to maintain momentum in the face of current market headwinds?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Investments in EV plants would be under Minister Joly, the Minister of Industry, so I think that question is best directed to her.

What I can say is that this government is very committed to protecting the jobs we have in the current auto sector and building the infrastructure and capabilities for the industry as it evolves to include more electric vehicles.

We all know that, over time, the cost of electric vehicles is progressively dropping. It will lead to a gradual transition from combustion vehicles to electric vehicles. We need to work to make sure current jobs stay in Canada and future jobs come to Canada as we make that transition from a mostly combustion engine to a mix of combustion and electric vehicles.

Senator Loffreda: Thank you for that. Maybe you can't answer this question, but Quebec and Canada made a major bet on Northvolt with the federal government committing \$1.43 billion toward the EV battery manufacturing facility in Quebec. As we know, Quebec has now withdrawn its funding and is reportedly facing a major loss of \$270 million.

Could you tell us this: Have any federal funds already been disbursed to Northvolt, and are Canadian taxpayers currently on the hook for any future transfers under this agreement?

Mr. Hodgson: To my knowledge, no, but that is not my department. If you would like an answer to that, I can obtain a written answer for you.

• (1430)

[Translation]

MARKET DIVERSIFICATION

Hon. Suze Youance: Minister, my questions relate to diversifying our markets in light of the U.S. President's repeated threats to annex Canada.

The Keystone XL pipeline project resurfaced this week during discussions between our Prime Minister and President Trump. According to the Canadian Association of Petroleum Producers, last year, Canada exported 80% of its crude oil to the United States.

How can we talk about wanting to diversify our markets to make us less dependent on our American neighbour and still consider building new pipelines to the United States?

[English]

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: We didn't ask for this trade war. It was imposed upon us. The United States has decided they want to change the way the world works. We spent 40 years building a free-trade relationship with the United States, believing they would be multilateralist free traders, and they are no longer doing that.

We are in a mercantilist world where it's a card game. We need to play our cards. We have a number of cards they want. We have things we need to get. We are incredibly fortunate in that we have the best trade deal in the world. No other country in the world has 85% of their products that transact tariff-free. Fifteen per cent in five or six sectors, like steel, aluminum and autos, is being attacked right now. He has a whole plan around how he is trying to hobble our economy.

We need to play our cards to get the best deal we can for Canadians. If we do things where we give them some cards, we will get something for it.

[Translation]

Senator Youance: Should we be looking at putting tariffs on oil exports to subsidize the investments we should be making in market diversification?

[English]

Mr. Hodgson: I'll say the same thing I said to the other senator. I have negotiated many deals in my career. I have never found it helpful to negotiate those deals in public. They are much better done in private.

[Senator Loffreda]

As I believe is common knowledge, Minister LeBlanc is in Washington right now. You can rest assured we are working hard to make sure Canada gets the best deal possible.

ENERGY INFRASTRUCTURE

Hon. Paul (PJ) Prosper: Welcome, minister. Your government has made a commitment to advancing projects of national interest that strengthen Canada's energy security and Indigenous economic participation. Projects like Trigon Terminals' LPG export facility represent exactly the kind of nationally significant, privately financed and Indigenous-supported energy infrastructure Canada needs to strengthen its autonomy and competitiveness.

Minister, how is your department ensuring projects are not effectively stranded or excluded through arrangements that severely restrict export access along strategic trade corridors?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Thank you for the question. I'm familiar with the issue. It involves a port. Ports do not come under my ministry; they come under Minister MacKinnon's jurisdiction, the Minister of Transport.

As I understand that issue, there were some transactions that were negotiated before this government came into office. I'm aware there is an issue. I am aware they are working on it. I understand the issue.

Senator Prosper: Minister, more specifically, how is the government ensuring that the strategic Prince Rupert trade corridor remains open and competitive so that strategic First Nations investments and Canadian resources from Alberta and British Columbia can reach global markets rather than be constrained, as they are today?

Mr. Hodgson: We are working closely with proponents in Prince Rupert, in Stewart, in Kitimat, often in conjunction with the local First Nations. Often, those First Nations are working closely with First Nations along any linear infrastructure.

What I have seen, in my experience, is when First Nations are involved early on, when they participate in the projects and have true benefits for their communities, First Nations are a catalyst and an accelerator of projects. They don't slow them down.

PIPELINE PROJECTS

Hon. Daryl S. Fridhandler: I'm going to follow up on my colleague Senator Youance's question on pipelines. With the recent development regarding Keystone, it's starting to look like a bit of a Snakes & Ladders game to me on which one is going where, what goes up and what goes down.

When Trans Mountain commenced its operation, it was a welcome addition to the ability to get oil to tidewater and to achieve world market prices, a major milestone. I know we still have capacity there, but when we bring Keystone back, we start looking back to the old days of continental, constrained U.S. pricing, which was discounted to what we could get at world market prices. What are your thoughts, if Keystone did go forward, of still maintaining world pricing in the face of that?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: As you may know, I sat on the board of a major oil company. The key is not where the spot differentials are between Henry Hub and AECO; the key is what the producers are achieving if they have take-away capacity to egress. If they have pipeline capacity that gets them to the Gulf Coast or the West Coast, they can achieve world prices, and we're not actually being stung by the differential.

I'm not going to comment on the specifics. The key — no pun intended — on Keystone, or any other, is whether Canadian producers have egress from Alberta to the coast. If they do, they are getting world prices. What we need to do is maintain sufficient egress so Canadian producers are always getting world prices. For example, the TMX has probably made Canada \$15 billion since it was expanded by reducing the differential that Canadian producers got because they had egress all the way to the coast.

MAJOR PROJECTS OFFICE

Hon. Daryl S. Fridhandler: On another topic, as a senator from Calgary, Alberta, I would like to thank you and your colleagues for choosing Alberta to be the Major Projects Office and also congratulate you on getting Dawn Farrell to accept the role of leadership, one of the more capable women corporate leaders in this country, I believe.

• (1440)

What is going on in terms of operationalizing that office? I know you're not the minister responsible, but you would have a lot to deal with, given what is going on there.

Mr. Hodgson: As a sidebar, when I was with major leaders of the business community in Calgary and we announced Dawn, the response was overwhelmingly, "Wow. You guys are serious." This is the most serious person you could place in this role.

We are incredibly fortunate. Dawn is the type of person who does not need this role. She could easily retire and do many other things. She is choosing to do this because she loves this country and wants to see it do better.

She has stood up a team incredibly quickly, and we are hard at work.

OIL TANKER MORATORIUM

Hon. Yonah Martin (Deputy Leader of the Opposition): Minister, you have described the lifting of the oil tanker ban off the northern coast of British Columbia as "hypothetical." While Alberta is seeking to build a strategic pipeline project to open

access for our resources to Asian markets, even the CEO of Enbridge has said clearly, "No company would build a pipeline to nowhere . . ." as long as this ban remains in place.

How can your government claim to make Canada an energy superpower while blocking every route to the ocean?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: I am going to refer to what Premier Smith said: She has never been more optimistic. We're in a good place.

We have said that to build, you need the support of the jurisdiction you build through and the support of First Nations. The proponent — in this case, the Province of Alberta — must attract that if they want to build. That is between the Province of Alberta and the Province of British Columbia. We have said we will be a constructive participant in that three-way discussion.

The Province of Alberta has some work to do. They said they will bring their proposal in the spring of 2026. Until they bring that proposal in 2026, it's a hypothetical question, unless some other proponent comes forward before that.

Senator Martin: There is an important role for the federal government regarding bills that block progress. With Bill C-69 and Bill C-48, the ambiguity from your government has been costing our provinces, our workers and our economy for 10 years. You say you want to attract investors, yet you maintain regulatory uncertainty that drives them away.

Minister, when will you send a clear message by repealing Bill C-69 and Bill C-48? More importantly, when will you finally deliver on your promise to Canadians: a strong economy capable of standing up to the Americans and truly improving Canadian lives?

Mr. Hodgson: I will come back to what I believe is the fundamental issue here. The world is in a different place. Our country is under attack. We need to come together as a country or the Americans will hobble our economy and have us come on bended knee.

We are working hard. As a Canadian, I have never seen this level of unity. I had the privilege of going to Saskatoon for the First Ministers' conference and saw the uniform view that we must band together to win this trade war for Canadians. We are working hard on that. We're doing it right now with the Premier of Alberta and the Premier of British Columbia.

HYDROGEN STRATEGY FOR CANADA

Hon. Salma Ataullahjan: Minister, a recent Macdonald-Laurier Institute report argues that Canada's green hydrogen strategy may be too late, given global competition and declining costs of other low-carbon technologies. Yet your government continues to stand behind initiatives like the Canada-Germany Hydrogen Alliance, rather than eliminating red tape and facilitating investments in pipelines and energy export terminals on Canada's East and West Coasts.

Minister, how do you justify Canada's green hydrogen strategy, and do you still believe Canada can compete profitably in green hydrogen exports by 2030 or 2035?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: I was recently in Germany and speaking with the Germans. They believe green hydrogen is a longer-term solution and will rely on technology. There is currently a price gap between what they are willing to pay for it and what it would cost us to build.

We said to the Germans that we are not going to subsidize the German people in the short term. They must do the work and build the infrastructure in their country to make it a profitable exercise for Canadians. If and when they do, we will be happy to produce the hydrogen for them.

In the interim, they have told us — loud and clear — that LNG is a transition fuel. They made a mistake in relying on Vladimir Putin for their energy security. They do not want to rely on the United States to be their sole supplier of LNG, and they desperately want to buy ours. That's what we heard from the Germans.

Senator Ataullahjan: Minister, another major flaw in your government's green hydrogen strategy lies in who is actually behind these projects — very few are Canadian. Your government loves to talk about buying Canadian, yet it seems ready to pour taxpayer dollars into subsidizing unprofitable foreign-owned hydrogen ventures.

Will you commit that no public funds will go to subsidize foreign company losses while Canadian firms — ready to build profitable energy projects in Alberta, Ontario and across the country — are left waiting on the sidelines?

Mr. Hodgson: What matters is where the infrastructure is built, where the jobs are and where the resource is created, not where the capital comes from. The Prime Minister has been very clear that under his program, the goal is to attract \$500 billion of capital to put to work in Canada. That's how we will create jobs and pay for things Canadians expect, like dental care, health care, \$10-a-day childcare and Old Age Security. That's what we're going to do.

CLEAN ENERGY FOR RURAL AND REMOTE AREAS

Hon. Hassan Yussuff: Minister, thank you for being here. Canada has long been recognized for its potential for small modular reactors, or SMRs, to provide clean, reliable and affordable energy, particularly for northern and remote communities across the country that still depend on diesel generation. Canadian researchers and companies have been global leaders in this field.

[Senator Ataullahjan]

Ontario's work at the Darlington site shows very positive progress, yet despite this potential, the pace of development remains very uneven. New Brunswick, once an active partner, has scaled back SMR ambitions, and many in the Arctic communities see little prospect of accessing this technology in the near future.

Minister, what concrete measures is your department taking to translate this early promise into results, both in delivering clean, cheap energy for Canadians — especially in the North — and positioning Canada as a global leader in this technology?

Mr. Hodgson: Thank you for your question. Canada is absolutely a leader. We're the first country in the world building small modular reactors. We're building our first one in Darlington, as you mentioned. There are three more behind that.

There are active conversations going on now with New Brunswick, Saskatchewan and Alberta, who all have interests, and the federal government is interested in working with them.

As it relates to the North, you're probably talking about something more like a micro-reactor. There is no commercial technology anywhere in the world doing that today. Atomic Energy Canada has a project where we would look at small micro-reactors that would be in the 10- to 30-megawatt range, which would be perfect for some northern communities or maybe some northern mine sites. That's something my department is working on right now.

• (1450)

Senator Yussuff: Is there now, given what has been happening at Darlington, a sense of when we might see the result of this investment and this technology being put to use? Not only are many parts of the country awaiting the result of this, but there are other governments that would very much like to access this technology as soon as we can get in on stream.

Mr. Hodgson: Yes. The answer is that the other provinces are watching very closely. Ontario Power Generation, or OPG, the proponent building that reactor, is taking something that is called first-of-a-kind risk. Often, the issue with nuclear is that the first project has the potential to have significant cost overruns, so proponents are reluctant to do that.

In the case of OPG, they are being a leader in the world in taking that first-of-a-kind risk and driving down the cost curve to make it more effective. I think you'll see other provinces, as OPG executes —

The Hon. the Speaker: Thank you, minister. That is your time.

CLIMATE CHANGE

Hon. Yuen Pau Woo: Good afternoon, minister.

The major projects bill, Bill C-5, which we passed before the summer, contains five criteria for the selection of major projects. It also contains criteria for the measurement of the success of those projects, but there are only four of them. The fifth one, which was missing and inconsistent with the criteria, regards whether the projects contribute to clean growth and meeting Canada's climate change objectives.

When will the government address this omission and restore the fifth item to the bill?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: My understanding is that we have the same level of specificity on all five criteria. To more specifically answer your question, the Prime Minister has said we will be coming out with a climate competitiveness strategy in the fall — I think you'll see that over the next few weeks — in which we will address that.

Senator Woo: There was a commitment from the Government Representative to fix that, so perhaps the officials can look into it later.

LIQUEFIED NATURAL GAS

Hon. Yuen Pau Woo: I want to ask also about one of the major projects you selected, which is LNG Canada Phase 2, or LNG2, in Kitimat in my province of British Columbia. My understanding is that the proponents have not decided on the final investment decision, or FID, for phase 2. What is your read on market conditions for LNG2, new sources of supply — I'm thinking of the Power of Siberia 2 — new sources of demand and alternative sources of energy? What is your read on what could go into that FID?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: I had the opportunity to sit with the proponents for LNG2. I think they are quite bullish on the opportunity. The CEO of Shell — Shell being the lead investor — said they had never been as optimistic about the opportunity to invest in Canada, and they see the conditions as being the best they have seen.

I would also point out that the CEO of Shell happens to be Canadian, so I think he has an interesting perspective.

[Translation]

NATURAL GAS PRODUCTION

Hon. Josée Verner: Welcome and thank you for being here today. Minister, your government's policies aim to reduce natural gas consumption in Canada by 2050 to achieve net zero.

A recent National Bank study sounded an alarm about the implosion of our industrial sector since 2015 for reasons that include the rise in costs associated with the transition to clean energy sources that can't meet the demand for electricity.

To give this sector the boost it needs, the study suggested that your government label natural gas as a "transition fuel," in order to meet the increased demand for electricity at a lower cost. Our natural gas is among the most affordable and cleanest in the world. Would you be willing to implement this proposed compromise to avoid making our industries even less competitive between now and 2050?

[English]

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: Thank you for the question.

I'm not sure we need to label natural gas as a transition fuel. It is what it is: a transition fuel. Around the world, governments and industry are seeing a desire to get to net zero by 2050 and are realizing that natural gas will play an important part in that.

We must all understand — and this was driven home for me during my recent visit to Germany — that there are two things happening in the world. The first is geopolitics, which is bringing the issue of energy security to the forefront. If you don't have energy security, your economy does not function. You need only ask the Germans, who watched their factories shut down and their people freeze.

At the same time, we have an AI revolution occurring, which is dramatically increasing the need for electricity. The only practical way to deal with that is with a transition fuel like natural gas.

The Germans said to me that they see it as a transition fuel.

[Translation]

Senator Verner: The National Bank study also stated that 55% of the demand for natural gas in Canada is met through imports from the United States, despite the presence of significant reserves in Canada. That means the energy security of our industries and of many Canadian families is largely dependent on an unpredictable trade partner that cares little about good trade relations.

In this context, do you support the rapid expansion of the existing natural gas pipeline network in Canada, particularly eastward, to reduce our dependence on natural gas from the U.S.?

[English]

Mr. Hodgson: We have said that we're in favour where the local jurisdiction supports that — that is, if we're talking about discrete linear infrastructure. If someone is expanding an existing system, that's within provincial jurisdiction. If we're doing something interprovincial, we are supportive if there is support from the local jurisdiction and affected First Nations.

We are in regular dialogue with Premier Legault, Premier Holt, Premier Houston and the other premiers in the Atlantic provinces. If that's something they want to pursue, we will work with them.

BUDGET 2025

Hon. Yonah Martin (Deputy Leader of the Opposition): Minister, given your extensive experience in the private sector, you certainly understand the importance of clear, predictable fiscal planning and communication from government. Yet Canadians were left scratching their heads when your government announced a shift to a fall budgeting cycle, beginning with Budget 2025. That means one of two things: Either Canadians won't see a budget from the current fiscal year or your government plans to combine two fiscal years in a single document.

Minister, for the sake of clarity and transparency, to which fiscal year will the November budget apply?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: That's a fabulous question for Minister Champagne.

I don't think anyone was scratching their head. I think Minister Champagne said that every other G7 country produces a budget in November, and he is trying to align our fiscal timelines and budgets with those of our G7 partners to make them more comparable. I believe that's what he said in the House.

But your question is best directed to Minister Champagne.

Senator Martin: My supplementary was to follow up on whether it would include this year. I will save that for Minister Champagne when he is here, but I assume that, being at the cabinet table, you could give us a sense of clarity for the sake of Canadians. It is their money, after all.

• (1500)

Mr. Hodgson: At the cabinet table, we are very focused on putting together a budget that grows Canada.

CONSULTATION WITH INDIGENOUS PEOPLES

Hon. Margo Greenwood: Thank you, Minister Hodgson, for appearing before the Senate today.

Minister, both you and the Prime Minister stated that projects of national interest must move forward in full partnership with Indigenous Peoples. Is your definition of "partnership" incompatible with the affirmation that Aboriginal title can supersede fee simple property rights as outlined in the *Cowichan* decision? If so, how is your definition of "partnership" specifically incompatible with the *Cowichan* decision? And if not, why is your government challenging the decision?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: I think that's a question best asked of Minister Alty. I am not familiar with the specifics of the *Cowichan* decision. What I am familiar with is that whenever we

sit with the leaders of First Nations, what I hear over and over again is that if a development benefits the community, they are not anti-development; they are pro-development. Whether it is Chief Clayton, with whom I was yesterday, whether it is Chief Nyce, with whom I was last week, or whether it is Chief Campbell, with whom I was a few weeks ago, they all have the same view, which is if there is real opportunity in projects, which typically means equity ownership, they are pro-development, and they are looking forward to participating in the benefits of Canada.

Senator Greenwood: Thank you.

REGULATORY REFORM

Hon. Colin Deacon: Welcome to the Senate, Minister Hodgson.

In August, when you were in Berlin, you made a pitch to international partners that Canada was an excellent candidate for investment, citing four characteristics: resources, stability, responsibility and speed. To balance responsibility and speed, I want to focus on the use of internationally recognized consensus-based standards, such as the Initiative for Responsible Mining Assurance, or IRMA, which has developed standards and protocols that are recognized by the Mining Association of Canada. These types of standards promise to achieve inclusive, ethical, sustainable and safe outcomes without the use of heavy-handed or rigid regulations. Are you considering the use of standards in your regulatory approach to encourage investment?

Hon. Tim Hodgson, P.C., M.P., Minister of Energy and Natural Resources: What I notice around the world when we speak with what I will call like-minded allies is they view our environmental standards, they view the way we engage with First Nations and involve them in partnership as a positive. I will use the analogy of — and maybe it is a good one or not — you could buy a Toyota, or you could buy a Lexus. One has a lot more features; one has a little more luxury to it. You can buy the stripped-down version where countries don't do things in an environmentally responsible way or do it running roughshod over Indigenous Peoples, or you can do it the right way with a country that knows how to do it.

When I talk to countries like Germany, Japan, the U.K. and France, it is clear to me which one they would rather buy.

Senator C. Deacon: Thank you, minister. Nova Scotia has created a new initiative called the Large Industrial File Team, or LIFT, that brings together the expertise necessary to provide one approval for what might otherwise be very slow, complex project approvals across many agencies. Might provincial regulatory initiatives like LIFT provide federal regulators with another regulatory modernization option to consider, possibly even devolving authority to a province?

Mr. Hodgson: I believe that's exactly what "one project, one review" is about. We have said to provinces that where they develop equivalent regulations that are bespoke to their particular needs and jurisdictions, as long as there is an equivalent outcome, the federal government will rely on the province.

We have negotiated that with British Columbia. We are in the process of negotiating that with the other provinces. We are fairly advanced with many of them. Some are a little more challenging to deal with. I will draw your attention to the Ksi Lisims project. B.C. approved the project at four o'clock. We approved the project at 4:30.

The Hon. the Speaker: Honourable senators, the time for Question Period has expired. I am certain that you will want to join me in thanking Minister Hodgson for joining us today. Thank you very much, minister.

Hon. Senators: Hear, hear.

BUSINESS OF THE SENATE

Hon. Iris G. Petten: Honourable senators, with leave of the Senate and notwithstanding rule 5-13(2), I move:

That the Senate do now adjourn.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

(At 3:07 p.m., the Senate was continued until Tuesday, October 21, 2025, at 2 p.m.)

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