

**Remarks to the House of Commons' Standing Committee on
Natural Resources --
Creating a Fair and Equitable Canadian Energy
Transformation**

Wednesday, June 1st, 2022. 4:00 p.m. – 6:00 p.m.

Mr. Chair, Members of the Committee,

Thank you for the invitation to appear today.

Despite Canada's vast resource wealth, our critical materials remain largely undeveloped and not strategically leveraged, primarily because of the lack of understanding of their significant climate, national security, broad economic and local community benefits.

Critical mineral development and their mid and downstream processing feed major value-creating clean and advanced technology businesses & jobs. These materials are fundamentally important to clean energy production and utilization, e-mobility, communications, and medical applications. The Industry Strategy Council, a forum of experienced business leaders assembled by ISED created a blueprint for implementation – a roadmap for how Canada can enable critical materials value chains development in early 2020.

A Just Transition towards realizing this potential is impossible unless everyone affected by the change — including workers, communities, employers and government officials have a chance to advocate for their own interests and fully participate in the planning process. Canada and its partners can achieve these aspirations if they adhere to the principles of a Just Transition. As acknowledged in Canada and the EU for example, dedicated funding streams, strong public sector role, and partnering with non-governmental organizations and unions are instrumental to this transition.

The EU's Just Transition Mechanism (JTM) is a key tool to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind. It provides targeted support to help mobilise around €55 billion over the period 2021-2027 in the most affected regions, to alleviate the socio-economic impact of the transition.

C2M2A has proposed a suite of recommendations around policy, investment, R&D, secondary sources, education, and trade over the past year. With our limited time today, I will just touch on five 'Just Transition'-related thoughts related to Canada's emerging critical materials supply chain potential:

1. Enable First Nations inclusion in value added infrastructure investment, essentially through major projects coalition. This participation should not be limited to resource development/mining projects but in some instances in interdependent links in their supply chains. A program for Indigenous groups to purchase equity in critical mineral & materials projects, possibly through soft loans repaid from the Indigenous group's share of the profit should be considered. Many indigenous groups understand the strategic nature of critical minerals however there needs to be a clear pathway for these groups to benefit by participating in, rather than opposing opportunities We fully respect this presents delicate balances with these priorities.
2. Work with communities in developing projects that help address energy poverty and invest in new decarbonized energy. Green energy for the green mining of critical materials for the green economy is of growing interest to customers, funders and shareholders.
3. Build with the end-in-mind addressing what can or will the community do with the infrastructure at end of life? What can it be in its second life?

4. Education – Cultivate and prepare a workforce to fully participate in the low-carbon economy while minimizing the impacts of labour market transitions; identifying and supporting inclusive economic opportunities for workers in their communities; and putting workers and their communities front and centre in discussions that affect their livelihoods. We will desperately need a wide range of talented professional and trade pools to meet our net-zero future.

5. Champion research and policy activities that increase Canadian firms' and communities' abilities to fend off economic assault from competing nations, by accelerating supply chains built on secondary sources -- initiatives such as reprocessing materials stored in tailings ponds and effluent streams coming off existing operations. Not only does this convert low-value or waste products into valued resources. it accelerates Canadian production of feed stocks for downstream customers. This would not detract the efforts and the benefits that can be accrued from longer-to-develop new mines, but rather demonstrates Canada's abilities to facilitate speed to market and attract value creating mid and downstream business to Canada.

Fairness and solidarity must be defining principles in our going-forward critical mineral strategies & plans. Embracing just transition principles with the right actions and policies in place has the potential to create tens of thousands of jobs in Canada and millions among its global partners.

Canada's mineral resources, mining and metallurgical reputation and human resources are held in high esteem internationally. Canada can capture individual and across society benefits from its natural resources. We must avoid the traditional trap of shipping domestic raw materials to be processed elsewhere only to be purchased as value-added finished products.

Thank you.

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