



## Martin backs Kyoto, but slams government



*CTV News Staff*

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Former finance Minister Paul Martin said Ottawa should move quickly to ratify the Kyoto accord but slammed the way the government is handling ratification of the international environment treaty.

"I said earlier that I support this resolution. But I also said that I do not agree with the way it has come into being," Martin said in the House of Commons Monday. "Canadians have the right to expect better in the future."

On Monday, Martin proposed that the government use \$1.5 billion in profit from the sale of its Petro-Canada shares fund new technologies that would help implement the plan.

Martin's proposal, one of the most specific put forward to date, was introduced during a House of Commons debate on the accord Monday. Among the measures he outlined was increased openness when it comes to drawing up an implementation plan.

In order to open up the process, Martin called for the establishment of a parliamentary committee on Kyoto, which would hold consultations with Canadians across the country and report back to the House of Commons no later than Spring, 2003.

"Demystifying the consequences of Kyoto will create greater understanding and ideally it will create a stronger consensus," Martin said.

In addition, Martin echoed calls by the provinces that no region be required to shoulder a greater part of the burden of cutting emissions than the rest of the country.

"Western Canada should never again have to endure made-in-Ottawa discrimination.

"Atlantic Canada should not have its dreams of new economic opportunity put on hold as they are about to be realized," Martin said, adding that the plan should focus on putting Canada at the forefront of new technologies, not on buying emissions credits from other countries.

Environment Minister David Anderson said the federal plan for implementation of the Kyoto makes it clear that if Canada buys credits overseas "there will have to be a real reduction in emissions for it to qualify in Canada."

Martin has been accused of flip-flopping on his position on the accord. Last month, he told reporters the government should delay ratification, but he said over the weekend that he believes there have been improvements in the plan.

"There's no question it's a flip flop," Tory leader Joe Clark said. "It's the first clear evidence that on a really important issue, Mr. Martin's putting politics ahead of principle."

Energy Minister Herb Dhaliwal, who is embroiled in a dispute with Martin's camp over leadership support, also accused Martin of changing his position.

"I don't know. He keeps changing his position on a regular basis," Dhaliwal said. "I wonder what his position will be tomorrow?"

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Meanwhile, Prime Minister Jean Chretien says the Kyoto accord will soon be ratified despite pressure from leading investors who warn of a powerful backlash from Wall Street.

### **Kyoto to go ahead 'in a few weeks'**

A report in the Calgary Herald says the Investment Dealers Association of Canada (IDA) surveyed 53 senior American analysts and portfolio managers in late October. According to the paper, 90 per cent said ratifying Kyoto would hurt the energy sector. About 60 per cent say they would re-evaluate their investments if the Liberal government moves ahead with its plan to implement Kyoto.

The Herald says IDA chairman, Terrance Salman, sent a letter to the prime minister warning that the survey should be kept from public view. Salman apparently feared the information would raise public concern.

"While the IDA has serious concerns about the economic impact of the Kyoto Protocol on the Canadian economy, we will not be releasing the results of this survey," Salman wrote to the prime minister.

"We believe that there is enough bad news in the public domain already and we do not want to add to it," Salman wrote. The firm, which represents all major brokerages and the securities arm of all the chartered banks, passed along the results of the survey to the prime minister.

"Strong majorities of analysts believe the treaty would impact the industry and the Canadian economy negatively and could spur a re-evaluation of Wall Street's investments in Canadian energy producers," the analysis cautioned.

But in question period Monday, cabinet ministers debated the accuracy of the Herald report.

Anderson quoted a statement from the IDA: "We have never seen the report quoted in the article and no such letter was drafted by the IDA," Anderson read.

Chretien, meanwhile, is vowing the environmental accord will be ratified within the next few weeks.

"The plan may not answer every single question but no plan ever does," he said at a meeting of the Liberal Party's Quebec wing in Montreal on Sunday. "It will be adjusted where necessary as we learn and work together.

"We will meet our targets responsibly in the best interests of the economy, the environment and most importantly for future generations."

Under the accord, Canada must reduce its greenhouse gas emissions by six per cent below 1990 levels by 2012.

Only Quebec and Manitoba have come out in support of the accord, while Alberta, B.C. and Nova Scotia have been the most vocal opponents.

*With reports from CTV's Roger Smith and The Canadian Press*