

Media Release
November 20, 2012

Attached is the text of a speech delivered by Michael McSweeney, President and CEO of the Cement Association of Canada, at the 2012 Pollution Probe Gala Dinner held on November 20, 2012. In his remarks, Mr. McSweeney advocates for governments, industry, environmental groups and broader civil society to work together in pursuit of a shared path toward sustainable development and environmental stewardship. He references several concrete-related initiatives that are assisting in advancing these goals.

POLLUTION PROBE
NOVEMBER 20, 2012 GALA DINNER – THE RITZ-CARLTON HOTEL, TORONTO
CAC PRESIDENT AND CEO MICHAEL MCSWEENEY REMARKS

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Thank you, Bob. Ladies and Gentlemen, good evening.

It is my honour to be standing before you on behalf of the Cement Association of Canada as the Platinum sponsor of tonight's gala.

As Blair Feltmate, Director of Sustainable Practice at the University of Waterloo, is quoted as saying on the brochure for tonight's event, "If you really want to get a sense of who the leaders are in Canada in the area of sustainable development and environmental stewardship, it's almost guaranteed they will be at this Gala." And indeed, the number and diversity of distinguished leaders in the room today is a testament to the vibrancy of the sustainability movement in Canada and to the great contribution that Pollution Probe is making.

It is also a great privilege to be sharing the podium this evening with our honoured guest Mr. Jeffery Simpson.

Mr. Simpson has become a leading journalistic authority on sustainability issues in Canada, and in particular on the issue of climate change. His 2007 book, *Hot Air: Meeting Canada's Climate Change Challenge*, draws on lessons from past attempts to address climate change in Canada to provide a comprehensive and accessible guide to the most promising path forward – for politicians, industrialists and environmentalists alike.

Drawing some inspiration from Mr. Simpson's book, there are two key messages that I think bear particular significance at a gathering such as this:

First, climate change is the greatest threat that Canada, and indeed all of civilization, has ever faced. As a northern country that stands to experience some of the greatest changes in a warming world, Canada is on the "front-lines" of climate change; all the more reason for Canada to be on the "front-lines" of innovating solutions.

More importantly in my view, any meaningful attempt to tackle climate change and, indeed, to achieve the broader aspirations of sustainable development, will require not only that all corners of the Canadian economy contribute, but that governments, industry, environmental groups and broader civil society rise above the rhetoric and strategic positioning of our respective sectors and work together.

As the President of the Cement Association of Canada, I can say that the cement industry along with our allies in the concrete industry, are ready to be proactive partners.

Concrete is literally the foundation upon which modern societies and economies are built and we believe it will be the foundation of the sustainable societies and economies of the future.

Of course, we know that this will only be as true as our commitment to sustainability. A track record of continuous improvement; a demonstrated commitment to transformative innovation, leadership, transparency and a culture of collaboration – we understand that these are the necessary ingredients to define and build a sustainable economy and to maintain our social license to operate within it.

From quarry extraction to concrete recycling, from energy efficiency to low-carbon fuels, from the quantum physics of cement chemistry (and I'm not joking here!) to the Newtonian physics of highway fuel efficiency, the cement industry is partnering with a broad array of stakeholders to examine every aspect of our industry, to find ways to reduce our footprint and innovate solutions to the sustainability challenges that confront us.

Right here in Ontario, through the proactive engagement of members like Holcim Canada, we have supported the development of the Cornerstone Standards Council. Through the leadership of the likes of Rick Smith from Environmental Defence, and Lorne Johnson, the Cornerstone Standards Council is working toward world leading standards for aggregates that focus on the unique geography of Ontario's landscape - in particular the Niagara Escarpment, Greenbelt and Oak Ridges Moraine.

Our members have been investing heavily in low-carbon and carbon-neutral fuels. For example, Ciment Quebec, working closely with the provincial government, has been a leader in the use of alternative fuels in Canada. They pioneered a process they call Synergia which, through thermal efficiency and fossil fuel replacement, can reduce GHGs by up to 10% over standard industry practices. Lafarge is spearheading similar efforts here in Ontario with their Cement2020 initiative – a unique 3-year full scale demonstration program designed to evaluate the use of a range of biogenic fuel sources, including biomass. And, of course, St Marys Cement showcases the truly inspirational algae pond biofuel project. St Marys' Bowmanville plant is also the first cement plant in Canada to be certified to ISO 50001. These and other energy projects hold promise for step-changes in the GHG footprint of our industry.

We are also pursuing robust life cycle assessments to better understand our impacts, as well as where and how cement and concrete can generate greater sustainability value; for example, how concrete's inherent thermal mass can be used to significantly reduce the Global Warming Potential of buildings; or how pervious pavements contribute to storm water management.

But what does all of this progress mean against the scale of the challenge? A recent Pricewaterhouse Cooper report suggests we are on track for a 6 degree rise in global temperatures this century if we continue business as usual. The global economy needs to cut carbon intensity by more than 5% every year from now to 2050 if we are to keep the planet below the 2 degree warming threshold that scientists believe is the upper limit to avoid catastrophic climate change.

It cannot be overstated - much more needs to be done and, of course, not only in the cement industry, but across the entire economy.

Mr. Simpson notes the essential ingredients of an effective policy response to climate change: Compulsory requirements, economic efficiency, simple administration and political acceptability. And while we await the details of the sectoral approach being developed at the federal level, other levels of government are also experimenting – the carbon tax in BC, cap and trade in Quebec, renewable energy subsidies in Ontario, the technology fund in Alberta. These are all positive signs that the policy apparatus is acknowledging the challenge and starting to tackle it with more serious and concrete action than in the past.

This tapestry of approaches makes this both an exciting and challenging time for business - not being able to predict what the policy and market signals will be in the future, both in Canada and from our major trading partners, makes investment decisions today that much more difficult – especially in capital intensive industries such as ours.

At the same time, we all know that more and more coordinated policies will come and that, eventually, we will see the emergence of a widespread, and perhaps someday global, price on carbon. Yes, quoting Mr. Simpson again, “Today’s heresies are tomorrow’s conventional wisdoms.” Clearly, it is vital that the approaches being pursued be smart, effective and fair. The sooner we begin this work, the less painful it will be.

In his acceptance speech just a few weeks ago, Barack Obama remarked “As it has for more than two centuries, progress will come in fits and starts. It’s not always a straight line.” So it will be with climate change and with the broader goal of sustainability. The important thing is to start, to begin building the types of collaborations that will help engender the conditions necessary to take us forward.

Through the reasoned insights of folks like Mr. Simpson, the careful and detailed analysis of leading groups like Pollution Probe, and the concerted efforts of so many of you in the room today, I have every confidence that we will get the job done. The conversation is maturing, public opinion is shifting, businesses are adapting.

Now our challenge is to continue to evolve as “leaders in learning” together.

Thank you.

For more information, or to schedule interviews, please contact:

Lyse Teasdale, Director, Communications, lteasdale@cement.ca, 613-236-9471 x211

*The **Cement Association of Canada (CAC)** is the voice of Canada's cement manufacturers and their concrete facilities. The industry provides a reliable, domestic supply of cement required to build Canada's communities and critical infrastructure and is committed to the environmentally responsible manufacturing of cement and concrete products. CAC's members are: Ciment Québec, COLACEM Canada, ESSROC Italcementi Group, Federal White Cement Ltd., Holcim Canada, Lafarge Canada, Lehigh Hanson Canada and St Marys Cement Group. The cement and concrete industry contributes more than \$8 billion in annual sales and over 27,000 direct and indirect jobs to the Canadian economy.*