

recycling of CFCs from commercial, household and mobile refrigeration systems that are to be scrapped or that have been previously abandoned. Once destruction technologies and less harmful substitutes are available, then the recovered, more harmful substances must be destroyed.

Although the Committee would prefer to see market forces act alone in removing these substances from circulation, we recognize that the accelerated timetable which we propose for the phasing out of CFCs requires federal action. The Committee proposes therefore that a tax be levied on the production of new CFCs and halons. It is hoped that this tax will provide incentive for producing industries to become directly involved in recycling as has reportedly happened in the United States since their tax was implemented. Recycling CFCs should be less costly than producing new CFCs. Recycling should also accelerate the phaseout of their production. Revenues from the tax could be used to support other CFC and halon weaning initiatives at home and abroad.

- (17) We recommend that a tax be levied on CFCs and halons at least equivalent to that to be implemented in the United States. Funds equal to those derived from the tax should be used to support initiatives arising from recommendations of this report.

International Responsibility

Assistance to developing countries both financially and in the form of technology transfer will be necessary to ensure that all potential producers of CFCs become members of the "global bargain" to protect the ozone layer, known as the Montreal Protocol.

Although developing countries have 80% of the world's population they have been responsible for only 15% of the world's production of CFCs. But they also have a growing demand for refrigerators, freezers and other refrigeration systems. With their increasing debt they cannot afford the additional, marginal costs of converting to less harmful substitutes. The international community must help. Canada must indicate its whole hearted effort to keep this global bargain alive. Therefore:

- (20) We recommend that the federal government contribute to all funding mechanisms developed under the Montreal Protocol. We also recommend that a roundtable be established in Canada consisting of all government departments, industry, non-government organizations and other stakeholders who would be involved in funding and facilitating technology transfer to developing countries.