

November 9, 2018

RE: Bill C-69

Members of the Senate,

The Resource Municipalities Coalition (Coalition) supports responsible resource development as it sustains communities by addressing impacts on ecosystems as well as cumulative impacts to a healthy natural environment and to citizens by ensuring the provision of effective social services that improve quality of life while building a sustainable future.

The building of a sustainable future for Canadians as a whole, has been impacted in recent years by regulatory and process reviews undertaken by the Federal Government that have added to Canada's reputation as a country adverse to industrial and infrastructure development. Investors by-passing Canada has resulted in a depressed valuation of our oil and natural gas companies relative to their United States peers. The oil and natural gas industry have experienced a 12% decline over 2017 figures with news reports noting companies relocating their assets to the United States on a weekly basis.

This is a troublesome trend, given Canada's endowment of natural resources, the competitive advantage within a globally interdependent and integrated energy system, and that 32% of Canada's GDP is dependent on industrial activity in traded goods sector consisting of energy, natural resources, industrial materials and manufacturing.

The Coalition is concerned that the proposed changes to environmental assessment, Navigation Protection Act, National Energy Board and Fisheries Act will lead to longer more complex reviews of new projects resulting in greater difficulty securing permits and authorization for projects:

- The Environment Minister's added discretionary power will convey a long, expensive decision-making process to potential investors.
- Project review timelines will be extended by adding a minimum of another 8 – 10 months to an already 4-year process, while competitors look to a 2 -year process in the United States.
- A more relaxed public consultation process will invite poorly or unformed and politically driven submission, further delaying the process.
- The new process fails to resolve internal government operational issues, thus extending, not shortening the permit process.

The inclusion of Indigenous consultation is imperative as government needs to recognize the benefits of active engagement with Indigenous people in all aspects of industrial and resource development, however:

- It is unclear if scientific standards for Indigenous bodies are the same for non-Indigenous bodies through the assessment process.
- No clear defining of oversight management to ensure comparability and complementary assessments are completed, preventing a parallel duplicative process.

Jurisdictional authority has traditionally undermined the permitting process, as seen in a recent application made to the National Energy Board on pipeline permits issued in the province of British Columbia, and the proposed legislation further complicates or rescinds provincial and territorial authority:

- References to greenhouse gas management and the link to certain clauses as worded with the proposed legislation undermines the authority of provinces and territories, as set out in the Constitution, to make laws in relation to the exploration, development, conservation and management of non-renewable resources and forestry resources; and the development, conservation and management of sites and facilities with respect to the generation and production of electrical energy.

The Coalition recognizes improvements related to transparency, centralization of data and the inclusion of appropriate skill-based personnel involved in the understanding of risk and risk management during the assessment process. However, regardless of the intentions of the Federal Government to improve the assessment process, the proposed reforms, as a package, have induced a strong negative reaction in boardrooms across the industries most impacted by these changes in government policy and regulation as they do not support the governments belief that the proposed changes will “...protect our environment, improve investor confidence..” or “make the Canadian energy and resource sector more competitive.”

In our view, these legislative and regulatory changes will further aggravate Canada’s waning competitiveness and are likely to accelerate business investment into other countries, diminishing the country’s ability to sustain effective social services that protect Canada’s quality of life.

The Coalition recommends that the Senate refer Bill C-69 back to the House for amendment or refuse the bill in its entirety.

Sincerely,



Mayor Lori Ackerman
City of Fort St John



Mayor Rob Fraser
District of Taylor



Mayor Keith Bertrand
District of Tumbler Ridge



Mayor Joan Atkinson
District of Mackenzie



Mike Whalley
Executive Director