

August 28, 2017

The Honourable Catherine McKenna, P.C., M.P.
Minister of Environment and Climate Change
200, Sacré-Cœur Boulevard, 2nd Floor
Gatineau, QC K1A 0H3

The Honourable Dominic Leblanc, P.C., M.P.
Minister of Fisheries and Oceans
200 Kent Street
Ottawa, ON K1A 0E6

The Honourable James G. Carr, P.C., M.P.
Minister of Natural Resources
580 Booth Street, 21st Floor
Ottawa, ON K1A 0E4

The Honourable Marc Garneau, P.C., M.P.
Minister of Transport
330 Sparks Street
Ottawa, ON K1A 0N5

RE: Discussion Paper on Review of Environmental and Regulatory Processes

Honourable Ministers:

On behalf of the Saskatchewan Chamber of Commerce, thank you for the opportunity to provide comments on the *Environmental and Regulatory Reviews* discussion paper that was released in June 2017. Before we begin, The Chamber would like to recognize the efforts of officials with the Government of Canada who recently met with Chamber staff and its members to discuss the earlier CEAA Expert Panel Review. We greatly appreciate their willingness to meet with us and actively listen to our members' concerns.

The Saskatchewan Chamber of Commerce is an advocacy organization that represents the interests of over 10,000 individual businesses and industry associations across the province through its chamber network. As the voice of business in the province, the Chamber has a responsibility to articulate to the Federal Government the concerns of its members, some of which have experience participating in an Environmental Assessment (EA) process and no doubt will be directly impacted by the recommendations outlined in the *Environmental and Regulatory Reviews* discussion paper.

As you are aware from our earlier CEAA Expert Review Panel submission, the Chamber expressed serious apprehension over a number of recommendations around the EA process. There were significant concerns from business groups at the time that the changes being proposed would in fact undermine the Federal Government's stated objectives of streamlining the EA process and getting resources to market in a timely and expedient manner.

Improvements Upon Initial CEAA Expert Panel Review Recommendations

Upon further review of the most recent discussion paper, it is evident that many of the business community's concerns surrounding the timeliness and workability of the Expert Panel's recommendations have been taken into account. The Chamber is encouraged by the Federal Government's renewed commitment to the goal of one project - one assessment, with specific reference to the maintaining of legislated project assessment timelines for clarity and certainty, along with the retention of substitution with provinces and territories where there is equivalency with federal standards.

In addition, we are encouraged by the Federal Government's pledge to retain the concept of a proponent-led project and for providing further clarification around the phrase *national interest*, as the Chamber felt that an earlier definition of the term was extremely broad and allowed for a wide latitude of interpretation. Furthermore, we are encouraged by the Federal Government's pledge that no project will be asked to go back to the starting line and for the decision to keep the National Energy Board head office in Calgary.

Broadening the Scope of Assessments

While we are appreciative of the fact that a number of our concerns have been considered, several issues still remain. Consistent with what was communicated in our CEEA submission, the Chamber maintains that expanding the scope of a federal EA process to a much broader Impact Assessment (IA) process is retrogressive and serves to dilute the importance of the environmental component. While there are certainly legitimate socio-political questions that our society should address, an EA regime that is scientifically rigorous and relies on peer-review is not the appropriate venue for such a debate. The inclusion of socio-political considerations would serve to hobble the process and trigger significantly more development projects, leading to unnecessary costs and delays for proponents. The Chamber highly recommends uncoupling the socio-political elements referenced above and instead focus on the environmental element in any future assessment regime.

Recommendation to Establish a Single Government Agency

Outlined in the most recent *Environmental and Regulatory Reviews* discussion paper is consideration around establishing a single government agency responsible for conducting environmental assessments and coordinating consultations with key stakeholders. The Chamber believes that this is not the best solution moving forward and is of the view that there is merit in separating the permit-granting authority from the lifecycle regulator once the project proponent has been issued the appropriate permit to proceed. Consistent with the Canadian Chamber of Commerce, we tentatively support the creation of a brand new Canadian Energy Information Agency that has a mandate to collect, analyze, and disseminate energy-related information independent of the regulatory agency.

Early Planning and Engagement

Private sector proponents are acutely aware of the fact that planning and engagement efforts early on with affected parties are crucial to the success of a development project. The Chamber supports the Federal Government's emphasis on early planning and engagement that is led by project proponents with clear direction from government. Echoing the concerns of the Canadian Chamber of Commerce and other industry stakeholders, we were alarmed with the way this principle was communicated in the most recent discussion paper. There is a crucial distinction between project planning, which is the responsibility of the project proponent, and planning the assessment process, which is ultimately the responsibility of the Federal Government.

As is industry best practice in many sectors, project proponents already undertake a substantial amount of community engagement and information gathering. This information is later fed into a project proponent's internal decision-making processes prior to the final decision being made. The Chamber cautions against putting too much restrictions on a project proponent before they can properly assess the viability of a project. The Chamber urges the Federal Government not to be too prescriptive on early engagement practices.

Elimination of the Standing Test

While we find the Federal Government's goal of increased opportunities for meaningful public participation and transparency around assessment and regulatory reviews laudable, we oppose the elimination of the standing test that was previously used by the National Energy Board for those wishing to participate in assessments. We oppose the elimination of the standing test for the following reasons. As you well know, it is impossible to accommodate every single participant that might wish to make their views heard on a particular matter. For purely practical reasons, it is absolutely necessary that some sort of screening take place to ensure a timely and well-informed hearing process. Any hearing process absent these restrictions risks being delayed or obstructed by those acting in bad faith.

While not specifically mentioned in the most recent discussion paper, the Chamber would like to reiterate its position on an earlier recommendation suggesting that public participation should extend *beyond* the project approval stage and through to the project implementation stage. The Chamber maintains that this recommendation is ill-advised, as it creates an unnecessary politicization of the process following what should be a final decision.

Concluding Remarks

While the most recent discussion paper rightly considers the cumulative effects or changes to the environment caused by multiple development activities over a period of time, the paper makes no reference to the cumulative impact of increased fees, taxes, and regulations currently being placed on businesses that are separate and distinct from the environmental and regulatory changes currently being proposed. It is imperative that if a whole new system is implemented, it must take into account Canadian business competitiveness and not become a significant barrier to investment.

Once again, thank you for the opportunity to offer comments to the recommendations outlined in the *Environmental and Regulatory Reviews* discussion paper. The Chamber would be pleased to discuss with you any of the comments or suggestions made herein. We look forward to your response.

Sincerely,



Joshua V. Kurkjian, M.A.
Director of Research and Policy Development
Saskatchewan Chamber of Commerce

Cc:

Saskatchewan Chamber of Commerce Environmental Committee
Canadian Chamber of Commerce Environment and Natural Resources Committee
The Honourable Scott Moe, Minister of Environment, Government of Saskatchewan
Lin Gallagher, Deputy Minister of Environment, Government of Saskatchewan
The Honourable Ralph Goodale, Minister of Public Safety and Emergency Preparedness