

ISSUE IN FOCUS



Celebrating 100 Years

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CHAMBER *of* COMMERCE

Oil Tanker Moratorium Act

Background:

The Bill C-48: Oil Tanker Moratorium Act seeks to ban oil tankers transporting more than 125,000 tonnes (approximately 90,000 barrels) of crude oil from stopping, loading, or unloading along the northern coast of British Columbia.

Issue:

The SCC perceives this Bill to be an abuse of the environmental process and an attempt to obstruct the oil and gas industry in western Canada. The provisions contained in Bill C-48 appear not to be informed by the facts about modern capabilities for the safe shipment of goods by sea. The Government of Canada has not adequately identified gaps in safety and environmental protections that would justify a moratorium on tanker activity; rather, it appears to be responding to interest groups demands for 'bans'.

The Bill as it is written is inconsistent in its scope and application. Bill C-48 proposes a ban on oil tanker activity above and beyond a certain threshold along a specified portion of BC's coast. For comparison, no similar legislation exists (nor should it) along Canada's east coast, even though 85% of all oil tanker traffic in Canada occurs along its east coast.

Bill C-48's inconsistent approach has the potential to undermine already strained national cohesion and further inflame east-west regional hostilities at a time when frustration among western Canadian producers with the Federal Government is already at an all-time high. Treating Canada's east and west coasts differently is an ill-advised policy choice.

Since the coast of northern BC serves as the gateway to the Asia Pacific region, placing an outright ban on oil tanker activity in this area serves to undermine Canada's objective of market diversification away from the United States and toward

emerging economies like China, India, etc. Considering significantly constrained pipeline and rail capacity, Bill C-48 also serves to undermine western Canadian oil and gas producers' ability to deliver their products to market in a safe and efficient manner.

Recommendations:

1. That the Government of Canada abandon an outright ban and instead focus on developing an enhanced marine transportation safety corridor that effectively manages the associated risks of increased oil tanker activity. A more sensible approach would be to build upon our world-class expertise in managing marine traffic by incorporating additional and sensible safety measures that would protect sensitive coastal areas, while still permitting oil tanker activity.

History:

Letter to Senate Standing Committee 2019