30 April 2019

The Honourable David Tkachuk
Chair of the Senate Standing Committee on Transport & Communications
Centre Block, Parliament Hill
Ottawa, ON K1A 0A4

RE: Bill C-48: Oil Tanker Moratorium Act

Dear Senator Tkachuk,

On behalf of the Saskatchewan Chamber of Commerce (SCC), thank you for the opportunity to provide comment on the version of Bill C-48 currently before the Senate Standing Committee on Transport & Communications. As we understand it, Bill C-48 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.¹

The SCC is a member-based organization representing the views of over 10,000 businesses, industry groups, and local Chambers through its Chamber Network. As the voice of business for the province, the SCC has a duty to articulate to the Government of Canada the concerns of its members operating in the oil and gas sector who will no doubt be impacted by the draft legislation being considered.

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’.

Therefore, the SCC recommends 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. Many major shipping centres are currently doing this worldwide. Canada already has some of the most stringent marine safety standards in the world. 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.

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, despite the fact that 85% of all oil tanker traffic in Canada occurs along its east coast.²


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While the northern coast of BC has unique and beautiful forests and mountains, and rich marine wildlife that we should protect, the east coast also has many of the same attributes. Both the west and east coasts of Canada also share many of the same marine navigation challenges, including strong tidal currents, narrow channels, and inclement weather.3

All of Canada’s coastal communities deserve sensible environmental protections balanced with opportunities for economic prosperity. Unfortunately this Bill accomplishes neither. 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 all-time high. Treating Canada’s east and west coasts differently is an ill-advised policy choice.

It is also ironic that Bill C-48 is being proposed at a time when maritime oil spills have been on a downward trend with respect to the frequency of incidents and the magnitude of spills.4 Since the 1970s, the number of major oil spills worldwide has been in steady decline despite an increase in marine-based oil trade during that time. This decline in the occurrence of oil spills has accelerated since more robust regulations, technologies, and processes were introduced in light of the 1989 Exxon Valdez oil spill off the coast of Alaska.5

Looking closer to home, Transport Canada requires all vessels transporting oil in Canadian waters to be equipped with double hulls. According to data from the International Maritime Organization cited by the Canadian Chamber of Commerce, double-hulled tankers would have prevented 85% of the oil spills that occurred prior to the requirement.6 In addition to the mandating of double-hulled tankers, other world-class oil spill prevention and response measures include tugboat escort protocols in busy waters; surveillance planes that detect oil spills; marine vessel inspectors; enhanced navigation aid systems; a compulsory pilotage area off the coast of BC with extensive local knowledge; and the industry-funded, government-regulated Western Canada Marine Response Corporation (WCMRC).

While one can never guarantee 100% that an oil spill will never occur, the publicly available data tells us the likelihood of a major oil spill happening in Canadian waters under the current regulatory regime in place is extremely low.

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. In light of 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. This is especially regrettable in an era when Canadian crude oil is being produced with some of the most robust labour and environmental protections in the world with less carbon emission per barrel than those we import.

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4 Dina O’Meara, “World-Class Marine Shipping: The Canada Way.”
5 Ibid.
6 The Canadian Chamber of Commerce. Moving Oil by Water: Five Facts Every British Columbian Needs to Know
On behalf of the SCC, thank you for the opportunity to provide comment on the draft legislation. We would be pleased to discuss with you any of the comments or suggestions made herein. We look forward to the Committee’s response.

Sincerely,

SCC Environment Committee Chair

Cc:
Saskatchewan Chamber of Commerce Board of Directors
Saskatchewan Chamber of Commerce Environment Committee
Hon. Dustin Duncan, Saskatchewan Minister of Environment
Lin Gallagher, Saskatchewan Deputy Minister of Environment
Hon. Bronwyn Eyre, Saskatchewan Minister of Energy and Resources
Hon. Amarjeet Sohi, Federal Minister of Natural Resources
Hon. Ralph Goodale, Federal Minister of Public Safety and Emergency Preparedness
Hon. Catherine McKenna, Federal Minister of Environment and Climate Change
Hon. Marc Garneau, Federal Minister of Transport
Hon. Perrin Beatty, President and CEO, Canadian Chamber of Commerce
Tim McMillan, President and CEO, Canadian Association of Petroleum Producers