



November 27, 2017

House of Commons
Standing Committee on
Transport, Infrastructure, and Communities
Sixth Floor, 131 Queen Street
Ottawa ON K1A 0A6

Email: TRAN@parl.gc.ca

Dear Chair Sgro and Committee Members:

Re: Bill C-48, Oil Tanker Moratorium –An Act Respecting the Regulation of Vessels that Transport Crude Oil or Persistent Oil to or from Ports or Marine Installations Located along British Columbia’s North Coast

By way of background, the Independent Contractors and Businesses Association (ICBA) has been the voice of B.C.’s construction industry for 42 years, representing more than 2,000 members and clients who collectively employ over 50,000 people. ICBA advocates for its members in support of a vibrant construction industry, responsible resource development, and a growing economy for the benefit of all British Columbians.

ICBA appreciates the opportunity to provide the Standing Committee on Transport, Infrastructure and Communities with our input on the proposed tanker moratorium which the federal government proposes for the north coast of British Columbia. The moratorium would prohibit oil tankers from loading or carrying more than 12,500 metric tons of crude oil or persistent oil product.

To begin, the energy industry in British Columbia and Alberta has been growing over the last two decades. Important for our membership are the nascent opportunities that are on the horizon from the potential export of hydrocarbons to the vast markets of the Asia Pacific.

For far too long, British Columbia and Alberta have been captive to the United States as the sole export market for energy products, often traded at a significant discount versus prevailing prices in the international marketplace, especially Asia.

In the face of these opportunities, the federal government’s proposed tanker moratorium on British Columbia’s north coast will significantly constrain the export of British Columbia and Alberta-produced energy products. Our review of the proposal offers no discernable public policy rationale for the tanker moratorium.

In addition, we note the following:

- The federal government has committed on many occasions to get Canada’s natural resources to tidewater. The oil tanker moratorium contradicts this commitment.
- The federal government has a comprehensive \$1.5 billion Oceans Protection Plan. If this plan is going to be effective, then why is the moratorium on tankers on B.C.’s north coast necessary?
- About 1,400 tankers of Alaskan produced oil destined for refineries in Washington state is shipped through B.C. coastal waters every year. What, then, does the tanker moratorium effectively accomplish other than to preclude B.C.’s strategically located ports at Kitimat and

Prince Rupert, from working with B.C. and Alberta energy producers and building new markets and supply chain routes for energy exports?

- The federal government has failed to provide industry with any evidence of environmental or safety gaps – rooted in scientific fact – that the moratorium is aimed at mitigating.
- Oil has been shipped in tankers off the British Columbia coast since the 1930's and there has not been a major oil spill involving one of those tankers.
- There is no corresponding tanker moratorium proposed for any other coastal area of Canada, including the arctic and east coasts. This unnecessarily pits “east” against “west” and is an inherently unfair application of federal law.
- Though the Northern Gateway pipeline is no longer proceeding, the federal government should not erect arbitrary barriers in the marketplace preventing other proponents from pursuing alternative proposals in northern B.C. which appropriately balance economic, environmental, community, and indigenous considerations. This is profoundly regrettable, given the economic benefits which could accrue throughout the energy value chain, including for our members who are small and medium-sized providers of construction services to many facets of the energy industry.

In summary, the federal government's commitment to expand trade to the Asia Pacific is laudable, but the proposed moratorium runs directly counter to this public policy objective.

The ability to transship Canada's oil resources through B.C.'s northern ports is critical if the federal government is to realize the Prime Minister's own view that “no country would find 173 billion barrels of oil in the ground and just leave them there”¹. Canada's oil resources are a tremendous (potential) economic benefit for all Canadians. Moving forward, meeting prospective Asian demand for Canada's energy resources cannot and simply will not be done solely through Port Metro Vancouver. And from a regional perspective, the federal government should not arbitrarily impair or eschew the legitimate economic development aspirations of British Columbia and Alberta.

As the Standing Committee moves to consider Bill C-48 in clause-by-clause debate, ICBA encourages the Committee to reconsider the tanker moratorium with a view to the long-term national interest. ICBA believes this includes an aggressive program of “getting to yes” on major energy projects, pursuing energy export opportunities in the vast Asia Pacific marketplace, and, consequently, not precluding the shipment of oil and its by-products from British Columbia's northern ports.

ICBA appreciates this opportunity to provide the Standing Committee on Transport, Infrastructure and Communities with our views on Bill C-48.

Respectfully,

Independent Contractors and Businesses Association



Chris Gardner
President

¹ Prime Minister Justin Trudeau, CBC News Online, March 10, 2017, <http://www.cbc.ca/world/trudeau-no-country-would-find-173-billion-barrels-of-oil-in-the-ground-and-leave-them-there-1.4019321>

CC: Honourable Marc Garneau, Minister of Transport
Honourable Chrystia Freeland, Minister of Foreign Affairs
Honourable James Carr, Minister of Natural Resources Canada
Honourable Francois-Phillippe Champagne, Minister of International Trade
Honourable Jody-Wilson Raybould, Minister of Justice
Honourable Andrew Sheer, Leader of the Opposition
Ms. Kelly Block, MP, Saskatoon–Rosetown–Biggar
Mr. Todd Doherty, M.P., Cariboo-Prince George
Mr. Bob Zimmer, M.P., Prince George–Peace River–Northern Rockies