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Chair

The Honourable Judy A. Sgro

Standing Committee on Transport, Infrastructure and Communities

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• (1540)

[English]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I bring to order the meeting of the Standing Committee on Transport, Infrastructure and Communities in this 42nd Parliament. Pursuant to the order of reference of Wednesday, October 4, 2017, we are looking at Bill C-48, 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—its beautiful north coast.

Thank you very much to our witnesses.

We will start with Friends of Wild Salmon.

Mr. Nobels.

Mr. Modestus Nobels (Interim Chair, Friends of Wild Salmon): Thank you, Madam Chair.

I sit before you today to provide testimony in support of this bill. There is a broad base of support for this initiative on the north coast, where I live. The people who live in the region have been working for almost four decades to realize this day.

In our submission, you have several pieces from various municipalities that have felt compelled to provide support for this bill as well. They have written to both the Prime Minister and the minister himself. Our MP, Nathan Cullen, has felt compelled over the years to also speak on this issue. He brought forward a private member's bill some years ago with regard to the issue.

For those of us who live on the north coast, it is an extremely important place. We rely heavily on the resources within that region for economic, recreational, and personal use. We have for years feared an oil spill and the repercussions of that in terms of how our lives would fold out. I don't know how to equate for you the value that exists there for us. We have lived on that piece of land for a long time. Many of my neighbours are from first nations who have been there for centuries. We all rely upon the ocean there. We all rely upon the resources. Those resources are, to us, more important than the other industries that have been brought to us as economies. The economy we wish to see in the region is that of fish, of forestry, and of an ocean that we can rely upon for tourism for generations to come.

This bill, we hope, will provide us with the protection we've been looking for. For years and years, we have been trying to get this kind of initiative in place, to find some protection for our homes and the

place in which we live. This place is a national treasure, to our minds. It's a spot that has huge abundance and great wealth in terms of the natural resources provided by the marine environment. We subsist on a lot of this, and we don't want to see it lost. We believe this bill will provide us the surety we are looking for, and provide surety for generations to come. The resources that exist there are invaluable. There's no way you could put a value or a price on this resource. Therefore, it is extremely important to us.

Canada itself has been working for the last couple of decades, feverishly in some respects, to provide protection for the oceans that surround our country, and is looking at 10% protection overall. We're hoping this bill will in turn play into that role and will help sustain that protection. For those of us who live there, it is not just a matter of an economy. It is a matter of our lifestyle and the quality of life we enjoy. For us, the belief is that it's time, as it has been for a long time, to come to this conclusion and finally protect what is an extremely beautiful place.

I'm not sure if the committee will allow it, but I have brought a cookbook for the committee members. This is not just "a" cookbook: this is part of my testimony today. It's a testimonial by the people who live in the region where I live. The recipes are their own recipes. The testimonials that accompany the recipes will in part inform you of the value we place upon those resources that are on our doorstep. It's one that we would gladly trade for...nothing. There's nothing that we could trade for it. The ocean, for us, is not just a place to generate an economy. It's a place that we live in and that sustains us.

It's time we showed this area the respect it requires. I would urge that this bill be brought forward and passed.

Thank you.

• (1545)

The Chair: Thank you very much, Mr. Nobels, and thank you very much for the offer of the recipe book.

Mr. Nobels has brought a book for each and every one of us. It is in English only, so I will need unanimous consent in order to see that each committee member gets one.

Do we have unanimous consent to distribute the cookbook?

Are you saying no, Mr. Donnelly?

Mr. Fin Donnelly (Port Moody—Coquitlam, NDP): We have to have it in both official languages for it to be accepted, but I think that if he can distribute it in other ways, that would be great.

The Chair: Mr. Nobels, I'll ensure that it is distributed.

Mr. Modestus Nobels: Thank you very much, Madam Chair.

Again, I would suggest that you read carefully the portions that have been put in here in terms of the testimonies of the people who provided the recipes. It's their lives; it's their home.

Thank you.

The Chair: Thank you very much.

Ms. Vernon, campaigns director of Sierra Club of British Columbia, welcome.

Ms. Caitlyn Vernon (Campaigns Director, Sierra Club of British Columbia): Thank you for the opportunity to speak to Bill C-48.

Sierra Club BC strongly supports this oil tanker moratorium act. However, to truly protect the coast and all who depend on it, we believe the bill needs to be strengthened in four key ways, outlined in our written brief, which I am told you will be getting very shortly: limiting the ministerial exemption to emergency circumstances; including refined oil under the scope of the bill; decreasing the tonnage threshold to 3,200 tonnes, which, according to a recent Transport Canada report, is the maximum needed for community fuel supply; and expanding the geographic scope to prohibit vessels above 3,200 tonnes from transporting crude or refined oil through Hecate Strait, Dixon Entrance, and Queen Charlotte Sound.

We believe these amendments are necessary, because oil spill cleanup is effectively impossible, and because B.C.'s north coast, the Great Bear Rainforest, is a unique and special place, truly a global treasure worth protecting.

Some years ago, I was invited to a feast at the Gitga'at Nation in Hartley Bay. The table in the big house was loaded with food from the ocean, food you can't find in a grocery store: smoked eulachon, sea cucumbers, and sea lion. The seaweed was particularly good, so I asked around to see if I could buy some to take home. The next morning, a woman came up to me and gifted me a big bag of seaweed; she wouldn't let me pay. In return, she said, I could help them stop the tankers.

It's difficult to overemphasize how the narrow waterways of the north coast are the breadbasket, livelihood, and culture to coastal communities. This is a place where you can watch a spirit bear catch a salmon, catch a whiff of a sea lion colony, and come eye to eye with the coastal wolves that eat seafood. Even on land, the globally recognized Great Bear Rainforest depends on a healthy ocean. The bears eat barnacles, and the trees actually grow bigger in years with good salmon runs. There is nowhere else on earth like it, so we commend the government for introducing Bill C-48.

This bill is an important step in preventing oil spills. In the case of a spill, what industry considers a success—10% to 15% recovery in accessible locations in good weather—is really a disaster for the communities and ecosystems left behind. While improving our spill response capacity is a good thing, having a bigger mop doesn't actually prevent the spills from happening in the first place.

In October of last year, the *Nathan E. Stewart* ran aground in Heiltsuk territory. This was an articulated tug barge that transported petroleum products between Washington state and Alaska. Fortunately, the fuel barge was empty. Even so, the sinking of the tug

spilled over 100,000 litres of diesel, contaminating important harvesting and cultural sites. The response was slow, uncoordinated, and completely ineffectual for the conditions. Booms broke, and waves crashed over the booms. Fisheries are still closed. The *Nathan E. Stewart* provides a sobering reminder of the challenges of spill response in remote locations, and that social, economic, and environmental impacts can be very severe from even a relatively small spill of refined oil products. Note that I am not talking about just crude oil or persistent oil, but also the impacts of refined oil spills.

There are two refineries undergoing environmental assessment in northern B.C. that would result in supertankers carrying refined oil. These non-persistent oils are acutely toxic to marine organisms. The risk of an oil spill was a key motivating factor in why so many municipalities, first nations, unions, regional districts, businesses, and individuals over the years spoke out against Enbridge's Northern Gateway proposal, and why coastal first nations have declared a ban on tankers in their territories.

This government has broad-based public support for a tanker ban. However, the expectation is that the bill prohibit all tankers, not just some tankers. As I have outlined, this can be done through amendments that continue to allow for community fuel supply while prohibiting articulated tug barges, as well as tankers, from carrying refined oil.

While Bill C-48 focuses on the north coast, it must be mentioned that oil tankers also pose a huge risk to the communities, the economy, and the wildlife on the south coast of B.C., and that LNG tankers are a safety hazard. True coastal protection would ban oil and gas tankers, both north and south. Then, instead of investing in spill response, we could support the wild salmon economy and expand renewable energy production that could generate jobs without damaging our climate or putting our coast at risk of spills.

Thank you.

• (1550)

The Chair: Thank you very much, Ms. Vernon.

Gavin Smith, staff counsel, West Coast Environmental Law Association, welcome.

Mr. Gavin Smith (Staff Counsel, West Coast Environmental Law Association): Thank you, Madam Chair. Thank you for the opportunity to speak before the committee.

The West Coast Environmental Law Association also strongly supports Bill C-48, the oil tanker moratorium act. We've prepared a written brief, which I understand has yet to be translated. In that brief, we make a number of points, but I'm going to focus particularly on one of those right now, which is the clause 6 exemption provision that allows the minister to exempt oil tankers from the bill's prohibitions.

However, I will note that in our written brief we also address issues such as a recommendation to create a regulation-making power for appropriate public disclosure of monitoring enforcement information under the bill, as well as a recommendation about seeking further information from Transport Canada on the 12,500-tonne threshold when the oil supply study that Ms. Vernon mentioned indicated that supplies to communities are currently in the amount of approximately 3,200 tonnes.

I'm happy to answer questions on those, but I will focus on clause 6 and in particular recommend three amendments to clause 6, which we say would preserve its sensible purpose of allowing for the provision of necessary oil supplies during dire emergencies while adding three crucial safeguards to protect the purpose of the bill and the public's access to information, each of which I'll address in turn.

First, we recommend that clause 6 explicitly limit the use of the exemption provision to circumstances that, in the opinion of the minister, constitute an emergency. Currently under clause 6, the minister may issue oil tanker exemptions for any reason that the minister believes to be in the public interest or essential for community and industry resupply. The exemption provision is not limited to emergencies, and it could be used to grant oil tanker exemptions for other purposes, including those potentially contrary to the purpose of the bill.

Minister Garneau has been very clear before this committee and in the House that the purpose of the exemption provision is solely and exclusively to respond to dire emergencies. We say that the clause 6 exemption provisions should reflect that in order to ensure that the provision is not used for other purposes.

Second, we recommend imposing an expiry period for oil tanker exemption orders under clause 6 with ministerial authority to order extensions as necessary. We propose an expiry period of one year for oil tanker exemption orders and orders to extend them, although we note there's no magic in that number provided there is an expiry period of a relatively short term.

Currently under clause 6, the minister may order oil tanker exemptions for any period of time without restriction, including potentially long-term or even indefinite exemptions. We say that setting a default term for oil tanker exemption orders would greatly curtail potential use of the exemption provision for long-term objectives that are incompatible with the bill's purpose, and also reflect the reality that, in general, emergencies are not likely to require long-term oil tanker exemptions. At the same time, the ability to order extensions of those orders would provide flexibility to maintain exemptions for longer periods where required.

Third, we recommend adding a simple requirement that oil tanker exemption orders be published in the *Canada Gazette*. Currently, legal requirements for public notice of access to exemption orders are explicitly removed by subclause 6(2) of Bill C-48. That is because the Statutory Instruments Act and its regulations generally require publication of statutory instruments in the *Canada Gazette* and provide for public access to and the right to copy statutory instruments.

However, those provisions would not apply to an oil tanker exemption order under the bill, because subclause 6(2) says the Statutory Instruments Act does not apply. The apparent rationale is to ensure that exemption orders can enter into effect quickly with a minimum of procedural requirements during an emergency. We don't propose disturbing that approach. Rather, we simply recommend adding a requirement to publish the orders in the *Canada Gazette* to ensure that the public has proper notice of such exemptions.

In summary, the clause 6 exemption provision could, if used to its full extent as currently drafted, allow wide-ranging and long-term exemptions from the bill's oil tanker prohibitions to be ordered behind closed doors without appropriate public review, potentially gutting the very purpose of the oil tanker moratorium act. We fully understand that this is not the minister's intention. He has been very clear on that point. However, given that, as the minister stated to this committee, the purpose of the bill is to preserve the pristine north coast for posterity, we say, then, that the bill's provisions must stand the test of time. This requires firm prohibitions that cannot be easily circumvented in future through the use of a broad exemption power.

The three amendments that we propose to section 6 would achieve this goal, providing ample flexibility for oil tanker exemptions when necessary, during emergencies, while eliminating uncertainty about whether the exemption provision could, in future, be used for purposes other than that, and potentially those contrary to the spirit of the bill.

● (1555)

Thank you.

The Chair: Thank you very much, Mr. Smith.

We'll go on to questioning with Mr. Lobb for six minutes.

Mr. Ben Lobb (Huron—Bruce, CPC): Thanks very much.

I'd just like to thank all of our witnesses for their presentations today. My riding is on Ontario's west coast, and we're very thoughtful about the quality of the water on Lake Huron and the environment and the ecosystems that feed into it.

Ms. Vernon, I'd like your interpretation with regard to fuels like diesel, light diesel, gasoline, etc. How large a vessel might be able to go to one of those proposed refineries that you mentioned?

Ms. Caitlyn Vernon: First of all, the recent Transport Canada study is clear that for the purposes of community fuel resupply, 3,200 tonnes is—

Mr. Ben Lobb: No, but I'm talking about—

Ms. Caitlyn Vernon: You're talking about the refinery.

Mr. Ben Lobb: I'm talking about the fuel potential. Is it 300,000 metric tonnes that they may be able to ship? Is it 250,000 metric tonnes they may be able to ship? Have you done any analysis on that?

Mr. Modestus Nobels: No, and I've seen no numbers with regard to that either.

Mr. Ben Lobb: Okay. I was just curious as to whether you'd done any analysis. Obviously, I understand that for the bitumen or the oil, it's at the 12,500 point, but I was just wondering about the refined fuels, and whether you'd done an analysis of what size of tankers could be going up and down the area.

Mr. Modestus Nobels: Both of the refinery proposals that are being looked at for the north coast are in their infancy, and as such they are proposals and not much else at the moment.

•(1600)

Ms. Caitlyn Vernon: My understanding is that they would be supertanker size, so they would be significant. They would not be captured—

Mr. Ben Lobb: That's correct.

Mr. Gavin Smith: I would just add one point to that. There have been materials filed with regard to Pacific Future Energy and Kitimat Clean Ltd., in which they have suggested that very large crude carriers would be carrying their products. Those are, again, preliminary materials.

Mr. Ben Lobb: Okay.

We had a witness here last meeting from CN Rail, and by video conference from InnoTech, I think the company was called, with their proposed product called CanaPux. I'm wondering if you're familiar with CanaPux. The technology's not quite at the mature stage, but it looks as though they're continuing to move forward on it, file patents, etc. Do you have any thoughts or issues on the potential for CanaPux going up and down the coast?

Mr. Modestus Nobels: First of all, I have very little knowledge of CanaPux. I understand what it is and I know the impetus behind it, but we've had little or no information brought forward to us with regard to what CN is planning. This is in part the first that I've heard that they're looking at transporting it into the region. I would have to look a little more closely at what they're proposing to really be able to answer that question.

Ms. Caitlyn Vernon: Yes, and I think the main thing would be to look at what might happen if it spilled into the marine environments. I don't have that information, but that would be my concern.

Mr. Ben Lobb: Their comment was that it will float and that it won't break down if it is in the water.

I have one other comment on that, because we know that Northern Gateway is off and that Trans Mountain is still working its way through the process. Of course, business is business, so they're going to try to find the next way to work around so that it works for them. Further to my point on CanaPux, we're looking at the CN Rail lines that go to Kitimat and Prince Rupert. If both of those refineries are developed, you're going to see a real expansion in rail traffic with bitumen to those port towns. Do you guys have any comments on that, about how seemingly the pipeline is cancelled, and this proposed tanker ban will likely come into force, yet as far as the environment goes or what have you, now you have all this proposed rail traffic that will be going up the coast line? Do you have any thoughts on that?

Ms. Caitlyn Vernon: I'm sure we all have lots to say on that. For one thing, that's why I raised the issue of expanding the scope of the act to include refined oil, so no matter how it gets to the refinery, whether there are supertankers shipping petroleum products through the Great Bear Rainforest, a place unlike anywhere else on earth, we know that a spill of refined oil has acute toxicity to marine organisms. It doesn't matter how it got there. It doesn't matter that it's refined. It's still going to have a huge impact on this part of the world, which deserves protection.

Mr. Ben Lobb: The Liberals have put forward this bill, and I know some groups have said that it didn't go far enough but that it's at least progress.

One of the points I've made is that if you truly believe in it, how can you have 12,500 metric tons of oil but at the same time the potential for 300,000 metric tons of diesel fuel to be going down?

My question to you folks would be this. Is there a study or any analysis with data we could take a look at so that we can get a scientific understanding of the difference between the impact on a coastal community of 300,000 metric tons of diesel fuel versus 12,500 metric tons of oil?

The Chair: Thank you, Mr. Lobb. Your time is up.

I would ask the witnesses to attempt to answer that question as they're answering some other questions.

We'll move on to Mr. Hardie.

Mr. Ken Hardie (Fleetwood—Port Kells, Lib.): Thank you, Madam Chair.

I want to go back to the limit of 12,500 metric tons. You were saying that there's a study that suggests that 3,200 tons would be adequate. Adequate for what? Is that what a typical community would use in a particular cycle?

Mr. Modestus Nobels: My understanding is that this actually exceeds what most of the communities would be receiving. There have been several instances in which some communities have received shipments of that nature and a little bit more than that, but it's not a consistent delivery. Beyond that, I have no other information.

•(1605)

Mr. Ken Hardie: You see, the picture that gets painted here is that if a limit that low were put on the passage of products to the communities, you would need to make a separate trip to each community, as opposed to having a facility where you could service two or three, or maybe even four communities in one run.

The concern I would have is that the limit you're suggesting would in fact increase the number of ship movements in the area. Of course, with the increased movements comes increased risk.

Mr. Modestus Nobels: All I can say to that is that most of those communities that are presently receiving are in the midst of trying to "un-receive". They have been wanting to get off diesel and fuels for years but have not yet had the opportunity or the resources to take them to that stage.

We're hoping that through this initiative, those communities will begin to receive that type of help and will be able to take themselves off the oil and the generators they are presently using. A lot of that would be diminished over time.

Mr. Ken Hardie: A lot of the folks who are looking at the concept of a moratorium on larger ships probably don't remember the *Queen of the North* and what happened there.

Perhaps, Mr. Nobels, you could remind everybody.

Mr. Modestus Nobels: I am very familiar with the *Queen of the North* and the incident that took place there. This is a vessel, a ferry, part of BC Ferries' fleet, that essentially found itself aground. This was through human error. This is not due to technology or anything else. This is just the fallibility of humanity. We make mistakes. It's as simple as that.

That is still an issue for us. We have a ferry that is sitting in 200 fathoms of water and will at some point begin to discharge its fuel. We have another old vessel from the Second World War, an American vessel just north of that, that has been leaking fuel for years. The Canadian government last year spent an inordinate amount of money trying to clean that up.

We're looking down the road at an incident. It's just sitting there at the moment, but as the materials and metals dissolve and dissipate, that oil will be released into the water. What that will mean for the people of Hartley Bay and the ecosystem of that area is hard to say, other than that we know it will be detrimental.

Mr. Ken Hardie: It's certainly an awful lot less oil than you would have in a supertanker.

Mr. Modestus Nobels: Yes.

Mr. Ken Hardie: Mr. Smith, why focus on publication in the *Canada Gazette*? It's not something that necessarily lands at very many doors. Why would you want any exemption information posted there, as opposed to on a website somewhere?

Mr. Gavin Smith: Certainly, we would very much be open to other requirements for the posting of that information in other places. In fact, in our brief, we talk about suggesting a regulation-making power to enable cabinet to publicize enforcement and monitoring information, as well as other information, under the act. We would say that this provision could be used to provide for other disclosure.

The reason we focus on the *Canada Gazette* is simply that it's an easy ad. It has actually been used in the context of other federal statutes in the past several years, in which particular orders have been exempted by the Statutory Instruments Act. Publication in the *Gazette* has been required to make sure there's public access.

Mr. Ken Hardie: In the interest of ensuring things are as watertight as possible, do you have any comments about the tug that did go down near Bella Bella. Its fuel ended up...but I understand there was no pilot on it.

I'm curious as to whether you see, not necessarily in the context of this bill but maybe in amendments to other regulations, things we should be doing to enhance the safety of the traffic that still will be going up and down in that territory.

Mr. Modestus Nobels: From our perspective, we believe all foreign vessels travelling through Canadian waters should be under Canadian pilotage authority. We were somewhat taken aback to find out that the *Nathan E. Stewart* was exempted from having to carry a pilot. In future, we believe that should be a condition for all vessels travelling through Canadian internal waters.

The Chair: You have 30 seconds.

Mr. Ken Hardie: What's the state of the salmon runs on the Nass and Skeena?

Mr. Modestus Nobels: This year, it's very poor.

In the end, we managed escapement. However, the ocean conditions have been suspect for the last cycle. As such, it was a relatively poor year. The Nass had an average return, and the Skeena had a below to average return in the end. The runs were late this year, by about three weeks. Therefore, we, as a fishing community, lost out on the opportunity to harvest some of those fish. Nonetheless, we achieved our escapement and our conservation requirements.

•(1610)

The Chair: Mr. Donnelly.

Mr. Fin Donnelly: Thank you, Madam Chair.

Thank you, guests, for being here, and providing your testimony, and also for the passion you have on this topic.

I have a few questions for Mr. Smith, but others can jump in if they feel they want to.

With regard to the definition of emergency, could you elaborate on what you think it should be? You referenced the minister's comment about dire emergency. Is there a definition that your organization has, or that you feel would be a good amendment to this bill?

Mr. Gavin Smith: I suppose there are two potential approaches to that. One is simply the provision that in the minister's opinion there are emergency circumstances, and it would be part of the minister's discretion to determine whether there are indeed circumstances. It would be possible to actually add a definition of emergency circumstances into the bill.

In our brief, which unfortunately isn't translated, we do footnote that there is an existing federal regulation that defines emergency circumstances. We suggest you look to that for guidance. In our brief we state that the reduction of carbon dioxide emissions from coal-fired generation of electricity regulations actually includes the definition of emergency.

Mr. Fin Donnelly: Are you able to submit that to this committee?

Mr. Gavin Smith: Certainly. The brief has been submitted; it's just waiting for translation. It has that referenced in the footnotes.

Mr. Fin Donnelly: I'm going through your suggested amendments. You chose a year for the expiry year. Is there any rationale or reason why you chose one year, or is that something you're flexible on?

Mr. Gavin Smith: No. The key issue would be that there be a relatively short-term expiry period in order to ensure that exemption orders aren't used for purposes other than emergency circumstances. There's no magic in the number of one year, and there may be reasons that a different time period is appropriate. We also note, and it should be included in that amendment, that the minister could set a shorter time period in the order itself. That's not the required timeline; it would just be the cap on that.

Mr. Fin Donnelly: The final one on that is something that Mr. Hardie brought up regarding the *Canada Gazette*. Is there any downside, do you think, to publishing this information in the *Canada Gazette*?

Mr. Gavin Smith: I'm not aware of any downside.

Mr. Fin Donnelly: Mr. Lobb asked a number of you to imagine a refinery, and imagine if there was more product being shipped by rail. I want to ask a different imagine question. Imagine this had gone through, and tankers were able to now take out bitumen.

Could you imagine what a spill of bitumen...? You referenced the *Nathan E. Stewart*, and that was a relatively small spill of fuel.

In the remaining time, could you imagine what a large bitumen spill would do to your area and to the northwest coast?

Maybe Mr. Nobels could start.

Mr. Modestus Nobels: I realize it's Halloween, but I would not like to imagine a more frightening scenario. I'm a lifelong mariner. I was a commercial fisherman for over three decades. I have seen oil spills of varying sizes. I have seen large tar balls, as they're termed, which is bunker C, on beaches. In the hot sun, that melts and coats everything and kills everything it touches. A spill of a magnitude that you refer to would be catastrophic. It would be the end for most of the communities in the region in which I live. It would spell an end to the economy that we have built for ourselves, and to control. It would mean an end to life as we know it, to be perfectly honest. For many of us, it would spell the end of our ability to continue to live in the region where we are. That's why we are so determined to see this bill through. It's something that has been four decades in the

working. We believe this would be the cornerstone on which to build a new economy for the region, and it will precipitate the move to a sustainable economy.

• (1615)

Mr. Fin Donnelly: Is there any time left for the other witnesses to add?

The Chair: You have one minute left.

Mr. Fin Donnelly: So maybe each of you can take 30 seconds on just what it would mean to coastal communities.

Ms. Caitlyn Vernon: It's hard to add to what Des just said.

I recently had the privilege of travelling to the Galapagos Islands in Ecuador, a place that people in the world know as being rich in biodiversity. Honestly, the abundance of life, marine and land, that I saw there reminded me of the Great Bear Rainforest. The diversity of life in the Great Bear Rainforest on B.C.'s north coast is unlike anything else in North America. It is a place where, on a boat one day, I saw sea otters on one side, orca whales over here, humpback whales over there. It's hard to know where to look. There are cultures who have been depending on the land for tens of thousands of years. The land and sea are intricately connected, so the Great Bear Rainforest, forest jobs, wildlife, tourism, the trees, the bears, the wolves, everything depends on salmon. Everything depends on a healthy marine environment. The people depend on a healthy marine environment. We're talking about rich biodiversity. We're talking about incredible opportunities for tourism. We're talking about the fisheries economy. We're talking about cultures. Everything depends on a healthy marine environment. A catastrophic large-scale oil spill would destroy all of that.

The Chair: Thank you very much.

Mr. Iacono.

[Translation]

Mr. Angelo Iacono (Alfred-Pellan, Lib.): Thank you, Madam Chair.

I'll be sharing my time with my colleague Mr. Hardie.

Northern B.C. is a pristine environment, home to the Great Bear Rainforest, but much of coastal B.C. is also made up of temperate rainforest.

In your view, how will the oil tanker moratorium for northern B.C. affect the broader aim of protecting coastal rainforests throughout the province?

[English]

Ms. Caitlyn Vernon: I can speak to that again.

The Great Bear Rainforest is the world's largest intact coastal temperate rainforest. The agreements that have been formed between first nations, industry, government, and environmental groups have been recognized globally. We don't need industrial sacrifices to support our economy; we can find ways for communities to thrive and prosper within ecological limits. All of these agreements that have been recognized, that have been signed, depend on a healthy marine environment. The salmon literally provides food for the trees. The bears depend on the salmon. The edge between land and sea is permeated; it's not a firm boundary. Everything depends on everything else, and so the integrity of the ecosystems of the Great Bear Rainforest, which is truly a global treasure, depend on a healthy ocean and depend on bills such as Bill C-48, and I would argue even more strongly, on prohibiting refined oils and articulated tug barges like the *Nathan E. Stewart* which also have an impact on the rainforest.

I don't know if either of you wants to say something else.

Mr. Modestus Nobels: As Caitlyn mentioned, there is no separation between land and sea; it is one. The land provides for the sea. The nutrient base is coming from the land through the myriad of streams that exist there and feed the marine environment. That, in turn, returns with the fish and the salmon that travel up these rivers, so you have a continual exchange of nutrients taking place between the land and the sea. One cannot exist without the other, and both will be impacted equally by any catastrophic event.

Mr. Angelo Iacono: Would you like to add to that?

Mr. Gavin Smith: I would add maybe just one point.

About a month ago I had the honour of travelling to the territories of Saik'uz first nation, which is around what is now known as Vanderhoof in British Columbia. Saik'uz was a member of the Yinka Dene Alliance of first nations who were opposed to the Northern Gateway pipeline. I was there for a celebration of the end of Northern Gateway. I just wanted to recognize that I travelled here with Chief Jackie Thomas of Saik'uz, and that the six Yinka Dene Alliance first nations have been adamant that the oil tanker moratorium act is an important tool to ensure they maintain their territories in the face of proposals for oil pipelines for which they refused to give their consent. These proposals are also immensely important to many first nations and other communities that were along the routes of those projects.

• (1620)

[*Translation*]

Mr. Angelo Iacono: Now I have a question for the West Coast Environmental Law Association representative.

In an open letter, your organization expressed support for Bill C-48. You also, however, questioned the 12,500-tonne threshold.

Could you comment on that and provide any recommendations you have?

[*English*]

Mr. Gavin Smith: This connects in part to Mr. Hardie's question.

With regard to the 12,500-tonne threshold, we're recommending that the committee seek further information from Transport Canada

about why the 12,500-tonne threshold was selected, when the study released by Transport Canada in October this year indicated that fuel barges for resupply on B.C.'s north coast have a cargo capacity ranging from 1,600 to 3,200 tonnes. That would be the actual capacity of the barge. The threshold is obviously about four times that amount. It wasn't clear to us in reviewing the study why it would be necessary to have a threshold four times that amount.

We've previously suggested that the threshold be as low as possible in order to ensure both that the region is protected from larger spills and that future project proposals for large increases of crude or persistent oil marine traffic in the region aren't put forward. We would suggest to the committee that they seek further information from Transport Canada about whether the 12,500-tonne threshold could indeed achieve that objective, and why it was selected.

[*Translation*]

Mr. Angelo Iacono: Thank you.

I'll now turn the floor over to Mr. Hardie.

[*English*]

Mr. Ken Hardie: Thank you.

Is there anything further that this bill misses?

Mr. Modestus Nobels: There's nothing I can point to.

Mr. Ken Hardie: Okay. Fair enough.

Mr. Smith, are the amendments your organization is proposing really intended to pre-empt some future government from straying outside the lines prescribed by the current transport minister?

Mr. Gavin Smith: Although Minister Garneau has been very clear that the provision would be used for emergencies, the concern is that there is no requirement that the provision be used for emergencies only in the future. It could potentially be used for indefinite exemptions. That creates a risk and an uncertainty about whether the exemption provision could be used to effectively circumvent the prohibitions of the act in future. That concern is real. For that reason, we've suggested those amendments—to ensure that it can achieve its purpose of providing for emergency supplies while not being misused.

The Chair: Thank you, Mr. Smith.

We'll move on to Mr. Fraser.

Mr. Sean Fraser (Central Nova, Lib.): Thank you very much.

I'll pick up right where we left off on the issue of the exemption and what the fear is.

Is there really a concern—instead of an emergency situation as the minister described—that somebody is going to say it's in the public interest for economic reasons to start allowing tanker traffic to come through and undoing protections in the legislation? Is that what this argument is really geared towards?

Mr. Gavin Smith: Hypothetically, let's say an existing industry on the coast wanted to expand its operations such that it would require tanker shipments. It's possible that the exemption provision could be used by a minister to allow those industrial resupply exemptions. Obviously, many groups would argue against that.

Yes, it is to provide for certainty, in that the prohibitions of the act would in future—and as long as it is in force—ensure that oil tankers aren't being allowed into the region contrary to the purposes of the act.

Mr. Sean Fraser: I'm curious to follow up on the definition of an emergency. I appreciate that you've referenced a regulation that I've not seen before, but what kind of an emergency are you contemplating that would justify the exemption power? What are the circumstances that we might look at?

If I think of a community and an industrial supply, if these communities grow and need more of a supply, and if they don't have the energy they need to succeed or to thrive, that could constitute an emergency. What kinds of circumstances are you thinking of when you're saying an emergency would justify it? I think both Mr. Smith and Ms. Vernon have raised this issue.

Mr. Gavin Smith: Minister Garneau raised an issue, which is how we have understood the intention of the bill to be to respond to a natural disaster or some other sudden, urgent, unexpected event that might require emergency supplies for communities. From our perspective, that would be the intention of that provision, to respond to those kinds of circumstances.

• (1625)

Mr. Sean Fraser: Ms. Vernon.

Ms. Caitlyn Vernon: I would agree with that.

Mr. Sean Fraser: Still on the issue of the exemption, you raised the potential for going through the *Canada Gazette* procedure. My inclination is that nobody reads the *Canada Gazette*. If you wanted to make this public, there are probably better ways to achieve that, and I recognize there may be some flexibility.

This is for each of the witnesses. Would it be acceptable to you if some mechanism said that if the ministry used the exemption power and provided public reasons as to why the exemption power was used—maybe they put it on the Department of Transport website.... I'm not sure what you think the best mechanism is, but would that kind of a procedure give you the kind of transparency you're looking for?

Mr. Gavin Smith: Absolutely, and in many regards it may provide more transparency if reasons were required. Simply publishing the order in the *Canada Gazette* would not require reasons for that order, but what you're suggesting would effectively be a requirement for public reasons for the order, which we would certainly support.

Mr. Sean Fraser: I'm curious. Do others have thoughts on this issue?

Ms. Caitlyn Vernon: I don't, beyond that.

Mr. Gavin Smith: No.

Mr. Modestus Nobels: Beyond that, I don't.

Mr. Sean Fraser: When I was looking at the tonnage limit as well, at 12,500, it struck me that although the size of the vessels we're talking about today might have the 3,200 limit, I don't want to assume that the case today will be the case tomorrow. Do you not see that it would be a potential consequence that as communities grow, in particular the possibility of having larger vessels come in, could reduce overall traffic? I'm quite concerned about Mr. Hardie's point, that if you're restricting yourself to smaller vessels you will see increased traffic.

I'm from the Atlantic coast, and we have an incredible amount of tanker traffic there. Perhaps in most circumstances we don't have the same narrow waterways, but should we not be turning our minds to, in the future, reducing traffic to allow a larger tonnage limit, or do you think I'm way off base on this?

Ms. Caitlyn Vernon: I think one of the big concerns right now, which we need to keep in this conversation, is these articulated barges travelling between Washington state and Alaska that provide no benefit to any Canadian community and that are putting coastal communities at huge risk, as we've seen from the *Nathan E. Stewart* spill. That was just the tug spilling, not even the barge. Those have a capacity ranging from 6,400 to 8,000 tonnes. That's significantly larger than what's currently being used for coastal communities.

I hear your point about communities growing. However, I would argue or suggest that we live in a climate-constrained world and that the direction does talk to how communities are trying to get off these diesel shipments. More and more communities will be shifting to renewable energy and away from fossil fuel, so I think that's what we can expect to see in the future, not increasing the transport size.

Mr. Sean Fraser: Certainly.

Do I have time for one more question or am I done?

The Chair: No. I'm sorry, your time is over.

Mr. Sean Fraser: Thank you.

The Chair: Mr. Chong, I have one minute for you.

Hon. Michael Chong (Wellington—Halton Hills, CPC): I have a very brief question.

Thank you to all three witnesses for coming from British Columbia to the nation's capital to give us your testimony.

Caitlyn, I think it was you who made reference to the fact that the bill covers only the north half of Canada's west coast. I'm wondering if you would be in favour of a moratorium on crude oil tanker traffic along the entire west coast of Canada.

Ms. Caitlyn Vernon: You may have missed my presentation, but on the south coast, tankers pose a huge risk to the economy, communities, wildlife, the southern residents, and endangered orca whales that live in the Salish Sea. We can be supporting jobs and doing better for our communities in other ways. Absolutely, I would support a full-coast moratorium.

Hon. Michael Chong: Thank you.

Mr. Modestus Nobels: As much as the moratorium is focused on what is known today as PNCIMA, the Pacific North Coast Integrated Management Area, that's roughly two-thirds of the B.C. coast. British Columbians in general are very supportive of this bill, not just those of us who live on the coast, but those who live inland as well. There is a great deal of support for that, and I'm sure there would be a great deal of support for a further extension of that moratorium

Hon. Michael Chong: Thank you, Madam Chair.

The Chair: Thank you very much to the witnesses. We very much appreciate and value your testimony today.

We will suspend for a few minutes for the witnesses to change places and to set up the video conference.

• (1625) _____ (Pause) _____

• (1635)

The Chair: I'm calling the meeting back to order.

While our witnesses get prepared, on November 9, we are having the supplementary estimates. I assume, as with the normal process, we will request that department officials as well as the minister come for the supplementary estimates.

Is that all right with everybody?

Some hon. members: Agreed.

The Chair: Great. Thank you very much.

As our witnesses, we have Robert Hage, fellow of Canadian Global Affairs Institute.

Mr. Hage, would you like to start?

Mr. Robert Hage (Fellow, Canadian Global Affairs Institute, As an Individual): Thank you very much, Madam Chair.

I should say that I've timed my remarks. They're five minutes and 30 seconds, so perhaps you would grant me the other 30 seconds.

During my 38 years in the Canadian Foreign Service, I have had the opportunity to work in the department's legal bureau, including a period as director general for legal affairs. I was also a representative for Canada at the UN Conference on the Law of the Sea.

I have written two articles relevant to the committee's work for the Macdonald-Laurier Institute. The first is the "Legal Aspects of an Oil Tanker Ban: Bill C-211", which I wrote in 2012; and "Risk, Prevention, and Opportunity: Northern Gateway and the Marine Environment", which I wrote in 2015.

Bill C-211 was the last of five Liberal or NDP private members' bills between 2007 and 2011 to legislate an oil tanker ban on B.C.'s west coast in an area north of Vancouver Island. I wrote that this "opens a Pandora's box of issues involving the United States, including Canada's historic claims to these waters, the Alaska Panhandle boundary, the passage of nuclear submarines, innocent passage, and fishing rights."

All five bills ban tanker traffic in the Dixon Entrance, Hecate Strait, and Queen Charlotte Sound, an area under Canadian legislation known as fishing zone 3. The key issue is the nature of

the Alaska boundary, called the A-B line, adjacent to Dixon Entrance. Canada claims that the 1903 British-American arbitration, which delimited this boundary, created both a land and maritime boundary. The U.S. position is that the A-B line is a land boundary only and does not demarcate an ocean boundary. It has claimed a territorial sea south of the line, thereby creating a disputed maritime area where each nation has arrested the fishing vessels of the other.

Since the 1890s, Canada has maintained that Dixon Entrance is part of the historic internal waters of Canada. Canada has made similar claims for Hecate Strait and Queen Charlotte Sound. While the previous bills banned tankers sailing within the defined waters of fishing zone 3, Bill C-48 prohibits tankers carrying crude oil from entering or leaving ports in the same area.

In focusing on the use of Canadian ports, the government has avoided a confrontation with the United States over the status of these waters. A May 12, 2017, media report quotes Minister Garneau's response to reporters' questions about why Bill C-48 does not ban tankers simply passing through Dixon Entrance, Hecate Strait, or Queen Charlotte Sound. Minister Garneau replied that "such passage is allowed by international law, but it is effectively stopped under a voluntary tanker exclusion zone that the U.S. and Canada agreed some 30 years ago."

However, for years, Canada has claimed these waters to be internal waters of Canada, where passage is governed by Canadian law and not international law. The U.S. maintains that its rights indeed are governed by international law and has sent numerous diplomatic notes in that regard.

The rather odd result under the bill is that tankers carrying crude oil can still ply these waters as long as they do not enter or leave from a Canadian port. The legislation also does not apply to tankers transporting refined oil. It does not apply to B.C.'s southern waters, including the Strait of Juan de Fuca or the Port of Vancouver-Burnaby, the site of the Kinder Morgan tanker terminal.

Enbridge's Northern Gateway project was cancelled by the government, and the government always has the right to deny any future proposal for a terminal. This raises the question of why such legislation is required at all. The only pipeline and terminal project that the moratorium act affects is the proposed Eagle Spirit Energy corridor, which initially would build an oil pipeline across first nations traditional lands from Fort McMurray to a terminal on Lax Kw'alaams coastal lands, north of Prince Rupert.

In the 2015 article, I looked at Alaska's experience involving its native people and petroleum development. The United States government created 12 regional profit-making native corporations designed to give indigenous peoples the means to ensure their financial independence through their corporate ownership of large tracts of land and the opportunity to develop that land. The results have been very positive. One corporation on the north slope is the state's largest Alaskan-owned corporation, with over 10,000 employees. Another, on the Gulf of Alaska, designed, built, and operates the Trans-Alaska Pipeline, along with one of the world's largest spill preparedness and response organizations.

•(1640)

While Canada has not created similar native corporations, I believe the proposed Eagle Spirit Energy corridor on traditional first nations territory mirrors this partnership approach, with indigenous peoples very much in the driver's seat. It is paradoxical that this tanker legislation puts an end to a first nations project, which they see as an important move towards reconciliation.

I thank you for your attention, and I'm pleased to respond to any questions.

The Chair: Thank you very much.

Next we have Mr. Leach, associate professor, Alberta School of Business, University of Alberta.

Dr. Andrew Leach (Associate Professor, Alberta School of Business, University of Alberta, As an Individual): Thank you, Madam Chair.

[Translation]

Thank you very much for inviting me to be here today.

[English]

In the remarks that follow, I'm focusing mostly on elements related to my areas of interest, which are crude markets and energy markets in general as well as the impact of the proposed ban on our ability to maximize value from our resources and from the processing of the resources.

Importantly, the ban before us today focuses on tankers carrying any combination of crude oil and heavy or refined products including synthetic crudes, anything heavier than diesel or jet fuel, in an amount greater than 12,500 metric tons, an amount that would make it a tradeable commodity, essentially. It takes out from the consideration of our crude marketers and refined product marketers the strategic deepwater ports of Kitimat, Kitsault, and Prince Rupert, and of course it provides important protection to the islands in and around Haida Gwaii.

Importantly, it wouldn't affect gasoline, diesel, or jet fuel imports or exports, nor would it affect LNG. The latter is, of course, of particular importance, because we have LNG terminals proposed and/or approved for each of those three deepwater ports in question.

However, I'd like to focus the committee's attention a little bit on our refined products market, where we have refined product production that's broadly expected to increase in Canada with the addition of the Redwater refinery in addition to two major proposals on the west coast, one for Kitimat and one for Prince Rupert. While it's easy to say that this ban does not affect refined products, that's not strictly true, because it does affect some of the products of production, primarily the heavier fuel oils, lubricants, and waxes that would be challenged were this ban to be implemented.

The rationale for that ban, on one hand, is simple. On the other hand, it's very hard to reconcile with our other marine protected areas and such zones.

Minister Garneau has referred to it as protecting a 400-kilometre stretch of coastal temperate rainforest, which is one of nature's truly spectacular sites. Both the Prime Minister and the minister have said

something along the lines of the Great Bear region being no place for an oil pipeline, and it's no place for oil tankers either. I think the crux of my remarks is to remind you that such a statement is not without cost, first of all, but it's also not without a degree of inconsistency in the way we treat protected areas.

Today we have, as Mr. Hage presented, no proposed oil pipelines that would affect any of these ports. The remaining proposed oil pipelines would affect the Port of Vancouver or southern access via Keystone XL. However, neither of those pipelines is a sure thing.

I think we want to be very careful about eliminating the option value that exists with having additional ports on the west coast. I think it's also important that we don't ignore the role of rail in this discussion, in that CN currently moves significant quantities of oil and refined products through Prince Rupert and has estimated that, in the absence of other export capacity, it would be able to move significantly further volumes via their infrastructure at Prince Rupert, which would enable Canada to realize higher value for its crude oil.

I mentioned the refineries already. I won't go back into that again. Let me say finally, with respect to inconsistency, that I think it behooves the government to go beyond a one-off determination of areas of natural significance. I've had the opportunity to visit the area. It's indeed a spectacular area, a magnificent landscape, but it's far from the only such area in Canada.

I would call upon the government to consider that we do have oil tankers that ply a lot of waters that I personally hold dear, and I think many other Canadians do, such as the Newfoundland coast, the Fundy shore, the St. Lawrence River, etc. I think we need to consider not just a one-off in the creation of a special category of marine protected area but define well the characteristics that we think apply in a circumstance, and consider the areas to which such similar controls might well apply in other areas of the country.

It's not for me to decide whether this particular area merits special protection, but I think if we are going to merit that special protection, we should define the conditions under which it holds and examine the other areas of Canada that would merit such protection as well.

Thank you very much for inviting me to appear today.

•(1645)

The Chair: Thank you very much, Mr. Leach.

We go now to Mr. Lewis-Manning, president of the Chamber of Shipping via video conference.

Welcome, sir. We're glad you could join us today.

Mr. Robert Lewis-Manning (President, Chamber of Shipping): Good afternoon, Madam Chair and members of the committee. I appreciate the opportunity to offer a few observations and a recommendation on this important legislation.

My comments are provided from the perspective of commercial shipping, marine transportation and, more generally, international trade. The Chamber of Shipping represents interests of shipowners, their agents, and service providers responsible for over 60% of Canadian international trade by ship. Some of our members also move bulk liquids and products of all types, including petroleum and chemical products, on both the east and west coasts.

Marine transportation includes everything from people in ferries and cruise ships to bulk commodities such as grain that is exported to Asia, to larger container ships moving goods that Canadian companies sell globally, and manufacturing goods that Canadians use in their day-to-day lives. Needless to say, marine transportation and its many spinoffs benefit and touch Canadians in their day-to-day lives.

I've been involved personally with marine conservation initiatives on all three of Canada's coasts and on the Great Lakes, and I am a member of the national Species at Risk advisory committee. As a former senior officer in the Royal Canadian Navy, I was also responsible for monitoring and coordinating surveillance in support of coastal protection. The Great Bear Sea on the north coast of British Columbia is indeed one of the richest marine ecosystems in the world and has enormous cultural significance to the people who live there, and it contains important resources for British Columbia's economy. Protecting it should be a priority, and in that respect, I doubt that anyone would question that goal.

Protection of our coastal environment goes hand in hand with being able to build trust with both Canadians and our international shipping customers. Furthermore, the ability to protect our coastal environment responsibly will also ensure the continued competitiveness of our trading gateways at a time when competitive pressures, especially from the United States, are increasing. This region is also an important trading gateway for Canada. It includes the country's fastest growing port, the Port of Prince Rupert, in addition to a number of smaller ports that afford future opportunities.

Within this context, there are three aspects of the proposed legislation that I would suggest are worthy of consideration by the committee. The first is the process and study that supported the identification and the list of scheduled commodities. The schedule was somewhat of a surprise when it was announced in May of this year, and until only recently the study that supported the decision to limit the scheduled commodities was also unavailable.

The study appears to have lacked some consultation with shipowners and operators, who currently move some of the products included on the proposed schedule. If the dialogue would have happened, those leading the study would have learned that most shipowners do not ship small quantities of a single product in a single sailing but frequently have cargo left on board that is destined for other ports. In this manner, a shipowner leverages efficiencies through multiple orders of a single or similar product. Limiting the quantity of scheduled commodities to 12.5 metric tonnes could result in unintended consequences, such as increased freight charges or a complete disruption in the supply chain.

Secondly, careful consideration should be given to whether the legislation is inconsistent with Canada's commitment to the United Nations Convention on the Law of the Sea, or UNCLOS. The intent of article 9 of this convention is to ensure that all ships, unless operating in a manner prejudicial to peace, good order, and security of another country, shall be provided innocent passage.

Article 24 reinforces this requirement on a coastal state, demanding that it shall not impose requirements on foreign ships which have the practical effect of denying or impairing the right of innocent passage. Furthermore, articles 194 and 211 also empower a

nation to protect its marine environment and to harmonize, as much as possible, such laws and regulations with neighbouring states and international regulations more generally.

Thirdly and perhaps most importantly, this legislation establishes a precedent in Canada for managing our national supply chain and is another layer of complexity in the already multi-faceted supply chain, thereby making Canada a more complex country in which to operate. While the bill intends to embody the precautionary principle, it has not provided and is not providing a constructive framework for properly reviewing the maritime transportation supply chain of B.C.'s north coast.

I would like to make one simple recommendation. The proposed amendments to another piece of government legislation, namely Bill C-55, an act to amend the Oceans Act and the Canada Petroleum Resources Act, also embodies the precautionary principle. In the way that Bill C-55 takes a precautionary approach and then demands analysis and an evidence base to support a longer-term management plan, we heartedly recommend that the oil moratorium act also contain language that would require a risk assessment to be conducted at minimum every five years, such that it could inform the regulatory process of scheduled products.

● (1650)

In this manner Bill C-48 would take a similar approach to that of Bill C-55, a harmonized approach. It would be grounded in an evidence-based analysis that would engage affected stakeholders collaboratively and would also provide a responsible legislative framework that could be sustained over the long term.

Thank you, again, for this opportunity, and I welcome any of your questions.

The Chair: Good. That was perfect timing, Mr. Lewis-Manning.

We will move on to Misty MacDuffee.

Welcome.

Ms. Misty MacDuffee (Biologist and Program Director, Wild Salmon Program, Raincoast Conservation Foundation): Thank you, Madam Chair.

I'm going to be about five minutes and 30 seconds, but I might talk a little faster because I'm nervous.

Thank you, again, for this opportunity to speak in favour of the oil tanker moratorium act.

As you know, or may even have experienced, British Columbia's north and central coast, along with Haida Gwaii, comprise a unique environment that is increasingly uncommon not just in Canada but in the world. It is an archipelago where lush forests and granite buttresses greet the sea, where grizzlies dig for clams in sight of the open Pacific, where wolves swim to distant islands in pursuit of seals, where the ethereal calls of killer whales are used to pursue salmon migrating thousands of kilometres to freshwater rivers of a forest, and where the summer sun sets on the blows of feeding humpback whales that are surrounded by thousands of shearwaters, auklets, and gulls, all in pursuit of tiny fish that spawn on a sandy shore or on the giant kelps that buffer the fragile coast shoreline.

All this is to say that this assembly of iconic animals makes the B. C. coast qualitatively different from most other exceptional places in the world. Distinctively, these animals are tied to the sea within a food web that knows no boundary between terrestrial and marine. Raincoast's two decades of published science studying coastal species confirms the knowledge that first nations have held for millennia. The coastal environment is an indivisible blend of land and ocean. What befalls the ocean, befalls the species of the land. It is no place for oil tankers.

Three recent academic papers by Raincoast are directly pertinent to the bill before you. First is a paper derived from our 10,000 nautical miles of surveys through the waters that Bill C-48 addresses, a region we refer to as the Queen Charlotte Basin. The paper, "Quantifying marine mammal hotspots" is a response to the overwhelming evidence that humans are contributing to rapid declines in marine species, particularly in coastal areas. This reality dictates the urgent need to identify important places for marine species, places where ocean processes and high species abundance interact to create hotspots.

We found that southeastern Haida Gwaii, outer Queen Charlotte Sound, the Scott Islands, Caamaño Sound, Calvert Island, Aristazabal Island, Chatham Sound, and Dixon Entrance are all places of exceptionally high marine mammal abundance. These areas all lie within the waters identified in Bill C-48.

A second paper on spills and marine mammals evaluates the consequences of potential oil exposure on 21 species of B.C. marine mammals. All marine mammals are inherently vulnerable to oil spills because they live their lives at the air-water interface where oil contact, inhalation, or ingestion can all occur.

We found that British Columbia's killer whales, Steller's sea lions, and sea otters ranked very high in terms of vulnerability to oil spills. Their elevated risk above other marine mammals is due to their small populations, their slow reproductive rates, their specialized diets, and the tendency for large percentages of the population to group together in space and time.

Our third paper on marine birds and chronic oil pollution, along with the book, *At Sea with Marine Birds*, by Dr. Caroline Fox, identifies marine bird species considered to be at elevated risk of extinction and those with a pronounced vulnerability to oil spills. Marine birds in this region are vulnerable to oil spills in any volume, large or small. Bill C-48 reduces the threat of catastrophic oil spills to at-risk marine birds and their habitats.

Lastly, Bill C-48 addresses the rising problem of underwater shipping noise disrupting the communication and feeding of cetaceans, and the growing threat of ship strikes. As on the east coast, Pacific shipping is a growing concern for large baleen whales like fin, sei, humpback, and the handful of critically endangered North Pacific right whales that inhabit these waters.

Over the last decade, Raincoast has tried to express what this maritime commons means to the people of British Columbia. Simply, it is a coastal archipelago that is priceless and irreplaceable, immeasurable in monetary terms.

We've also articulated the unequivocal evidence of decadal-scale biological changes that marine systems and species are undergoing,

the ecological debt, and the perils of hidden consequences. But we held hope that the proposed industrialization of British Columbia's Queen Charlotte Basin was a step too far. My presence here is proof that it was.

As we codify a moratorium on oil tanker traffic into law, whales hunted to near collapse a century ago are returning to their historic feeding grounds. Bill C-48 honours the ecological legacy of this coast and the first nations people who existed with this landscape since time before memory. We will continue our work to ensure that this priceless and irreplaceable coast continues its evolutionary journey, and we will mark Bill C-48 as an essential step in determining that future.

• (1655)

Thank you.

The Chair: Thank you very much. We'll move on to our questioners.

Mr. Chong, you have five minutes.

Hon. Michael Chong: Thank you, Madam Chair, and thank you to all our witnesses for appearing today and giving us your testimony.

I first want to ask Mr. Hage a couple of questions about the territorial issues around the area in question in Bill C-48.

My understanding is that the United States is not a member of the Convention on the Law of the Sea and so does not recognize our sovereignty—or any nation's sovereignty—beyond the 12-mile limit. We, however, are a party to that UN accord and we have a different position on that. Could you talk a bit about that issue in that area of Canada's coastal waters?

Mr. Robert Hage: The convention, which I have here, is largely now customary international law. Parts of it were already part of customary international law. This was the third attempt by the United Nations to get a worldwide convention, and they succeeded. It's quite remarkable.

The Americans certainly do support all the customary international law aspects of the Law of the Sea, and they are bound by the territorial sea, the economic zone, the right of innocent passage, and the right to navigation in the EEZ. All of those things they comply with, and they certainly expect Canada to comply with them as well. They don't cease to tell us that.

At the same time, there are certain aspects that you get from being a party of the convention, and one of them is dispute settlement. Another is the determination of the outer limits of the continental shelf, particularly in the Arctic. The Americans, we believe, cannot take advantage of that until they become a party, and the reason they haven't been is largely over seabed mining, which is another aspect that is not so consequential.

The Americans uphold all the aspects of the Law of the Sea that are relevant to what we're discussing here today. The dispute over the A-B line—the Alaska boundary and its nature—goes back to that arbitration, as I said, in 1903. Prior to that time, Canada had already said that Dixon Entrance was an internal water of Canada. Interestingly, the Americans didn't object to that until later.

It's important for us to maintain that position, which we've maintained for more than a hundred years now, that the waters in that area are internal to Canada and that we can exercise Canadian law in those waters. That's why the first attempts to legislate a moratorium focused on that area, fishing zone 3, where we could, under our interpretation, say “no traffic of tankers”.

I think the government switched that approach to avoid an argument with the United States. We have control over our ports: access to and from our ports. The Americans can't object to that, so I think that's the basis of the legislation.

• (1700)

Hon. Michael Chong: I have another quick question that concerns the 1987 or 1988 agreement between the Canadian Coast Guard and the United States Coast Guard regarding the voluntary exclusion zone. Could you tell us what tanker traffic is allowed under that agreement from 30 years ago?

Mr. Robert Hage: Yes. The Americans had the right to go down from Alaska, from the Port of Valdez to their refineries in Puget Sound, without our doing anything about it. If we had seen a threat of the Americans going through our EEZ we could have tried to make a case for that, but they had the right to freedom of navigation in our EEZ where the voluntary area is. Fortunately, we came to an understanding with them that the tanker traffic would take place a certain distance from the coast of Canada, and that is the way it has been for 30 years, as you've said.

It is voluntary. It's not—

Hon. Michael Chong: Does it include all tankers?

Mr. Robert Hage: Yes, that's all tankers that are going from Alaska to Puget Sound.

Hon. Michael Chong: Okay.

Mr. Robert Hage: Once you get to the Strait of Juan de Fuca, you're in an international area. That is one boundary that we have defined with the Americans, going back to 1890 and something, and we have an agreement with them there as well, so that the shipping goes in on the American side, I believe, and comes out on the Canadian side.

Hon. Michael Chong: Thank you.

I have a question for Dr. Leach.

The Chair: You have 10 seconds to get in a question and an answer back.

Hon. Michael Chong: Here's a quick question, Dr. Leach. Maybe you could speak to pipeline capacity in terms of how much excess capacity we have today and when you would anticipate that we would run out of capacity to ship prairie oil to international markets.

Dr. Andrew Leach: We're at essentially full today. It depends, month to month, but for all intents and purposes, we're maxed out right now.

The Chair: Thank you very much.

Mr. Fraser.

Mr. Sean Fraser: That was a perfect segue.

With respect to pipeline capacity, and our ability to export, although you mentioned they're not a sure thing, the projects that would see export capacity grow, both through Keystone to the south and through the southern portion of B.C., where would that bring our export capacity to in comparison to where CAPP is projecting that we're going to be? As we said, it's 5.1 million barrels a day for 2030, if we use their projections. If these two projects go ahead, would additional capacity be needed to pretty much meet our export number?

Dr. Andrew Leach: Based on CAPP's most recent forecast, if you build in Keystone XL, the Trans Mountain expansion, and then the smaller incremental expansions, Line 67 and Line 3, then for the remainder of that CAPP forecast horizon, we have sufficient pipeline capacity. You don't need any incremental pipeline capacity. If you go back to their 2014 or 2015 numbers, then there's incremental demand for one million to two million more barrels per day of export capacity.

Mr. Sean Fraser: In the presence of a moratorium on the northern portion of B.C., we're not going to be hampering our export capacity if we assume that the Keystone and Trans Mountain projects are completed by the 2030 date. Is that essentially where that leaves us?

Dr. Andrew Leach: If you assume that we're not hampering our total export capacity for crudes, I would be careful about export capacity for other refined products. I'd also be careful about the concept I opened with, which is the maximum value of our resources. Even though you may have pipeline capacity, some of that pipeline capacity goes into what has been and remains a discounted market in the U.S. mid-continent, so having that ability to move some products west might remain a strategically important asset even if it weren't a logistically crucial asset.

Mr. Sean Fraser: I'm curious. If Trans Mountain were to go ahead and the project were completed, would that not achieve the increased-value component of the argument that you just made by allowing us to get to other international markets, across the Pacific, for example?

• (1705)

Dr. Andrew Leach: It allows you to get there with some of the barrels, but it doesn't let you get all the barrels there. We saw as of last week the gap between WTI and Brent blow out above five dollars, so right now on the difference between shipping our crude into that U.S. mid-continent market versus shipping it by rail to the west coast, you're getting close to a point where you'd be better off shipping by rail west as opposed to into the Midwest by pipe. If that continues—having that ability to move product, particularly by rail or pipeline, having that option value—I wouldn't rule out that you could end up in a situation where even if we have enough physical capacity to move our barrels, we'll still have some value associated with the option to move it, particularly by rail to Prince Rupert.

Mr. Sean Fraser: If Trans Mountain goes forward, what increase to our daily export capacity would that add?

Dr. Andrew Leach: Well, it's movement of about 800,000 out of western Canada. How it changes our export capacity depends on how they configure their loading terminals and what have you. But I'd say that's a pretty good estimate for what it does to our export capacity.

Mr. Sean Fraser: On a different topic, you mentioned during your remarks that the 12,500-tonne limit would, for all intents and purposes, prevent commercial traffic. Is this because it would just render it economically not viable?

Dr. Andrew Leach: Yes, and the caveat in the bill of preventing ship-to-ship transfers as well.... Most of your traffic that would be for commercial export is not going to be on a small general-purpose tanker. It's going to be on a panamax or aframax, or larger, so 10 times that size.

Mr. Sean Fraser: During our last panel one of the things they were advocating for was reducing that limit out of concerns regarding the consequences should a spill occur. Is the limit that they recommended—3,200 tonnes—which is what I understand is being used today, going to remain the case?

Dr. Andrew Leach: Yes. If you tighten the limit any further, you're not changing the commercial viability of export-type transactions. Whether I ship 12,500, or 3,000, I'm not moving that. It does speak, however, to Mr. Lewis-Manning's question about how it prevents you from having multiple-pooled cargoes, and these sorts of questions in there.

The Chair: Mr. Donnelly.

Mr. Fin Donnelly: Thank you, Madam Chair.

Thank you again to our guests for appearing and for your testimony.

Mr. Lewis-Manning, you mentioned a number of concerns, and you outlined some suggestions. When you talk about the risk assessment every five years, have you submitted that to this committee? In other words, could you submit that recommendation to ensure that the committee sees that in written form?

Mr. Robert Lewis-Manning: It was absolutely my intent to submit a brief after appearing before the committee.

Mr. Fin Donnelly: Thank you.

Ms. MacDuffee, you mentioned in your testimony that you support this bill. Do you support it as written?

Ms. Misty MacDuffee: I'm definitely supporting the geographic scope and the substances, particularly if you were to expand the geographic scope, expand the size restriction on what can be transported, specifically thinking about the transport of what you call safe passage or unsafe passage through British Columbia by smaller tankers. If that could also be addressed.... Maybe that's a regulation or a separate thing. It's also a risk. We do support the scope of it as it is now.

Mr. Fin Donnelly: Do you have any suggested amendments? Previous witnesses have suggested amendments to the bill.

Ms. Misty MacDuffee: If there were an amendment to address the 10,000- or 12,000-tonne limit of tug and tow export, or passage through that region, that would be advantageous.

Mr. Fin Donnelly: Do you have a suggestion as to what you would—

Ms. Misty MacDuffee: Do you mean as to what limit that would be? You wouldn't want to restrict the use of local fuels by communities on the coast but just the larger passage of those barge tankers.

Mr. Fin Donnelly: Could you talk about ministerial discretion? Do you have any concerns with what's currently in the bill in terms of the ability for the minister to decide to allow tanker traffic through, if he or she so designates, and not just currently as it's written, but in future governments as well?

• (1710)

Ms. Misty MacDuffee: I would only echo Gavin Smith's statements as to whether there's too much discretion for emergencies in that particular case.

Mr. Fin Donnelly: I asked previous witnesses about imagine scenarios. We had past scenarios of imagining more tankers, pipelines, and rail traffic, and refineries being built in that area off the north coast. You painted a picture of what that coast looks like today, which I certainly imagine and think is incredible.

Could you also imagine what a large oil spill of, say, bitumen—if that were to be transported into that region—could do to those waters and that area that you described?

Ms. Misty MacDuffee: The worst thing about diluted bitumen is that it captures the worst of all fuels. It captures the acutely volatile and lethal components. It captures the long-term persistent components. We don't have to look very far to see what cold water crude oil spills look like on this coast, and the impacts they've had on populations elsewhere, specifically Alaska.

We've looked at these kinds of things on our coast. We look at what makes populations vulnerable, small populations, large aggregations of animals that are together in certain spaces or certain times. All it takes is one poorly timed spill to have repercussions that last for decades, if not longer.

Mr. Fin Donnelly: Are there any that come to mind in terms of the area? I'm thinking about the *Nathan E. Stewart*, for instance, which was a recent spill that would be categorized as a relatively small fuel spill.

Ms. Misty MacDuffee: Exactly—it was small and also involved a substance that's deemed not as dangerous as other substances are. It really speaks to the consequences of lighter fuels, diesel and more refined fuels, and the scale and impact of small spills.

The Chair: Mr. Iacono.

[Translation]

Mr. Angelo Iacono: Thank you, Madam Chair.

Thank you for being here today.

The *Nathan E. Stewart* ran aground in Bella Bella in 2016, spilling more than 110,000 litres of the diesel fuel it was carrying. According to media reports, the spill endangered wildlife and altered the livelihoods of the region's indigenous community.

What steps could be taken to mitigate the risks of smaller oil spills in fragile ecosystems, particularly in cases where communities rely on aquaculture for their livelihood?

[English]

Ms. Misty MacDuffee: It's a really good question. I think there is a transition to try to move away from the reliance on these fuels. I think what we have to do is not increase any more transport through this region. It's already at high risk, and we have to work to reduce that. That will largely occur through communities transitioning away from petroleum fuels to power their communities.

Mr. Angelo Iacono: Would anybody else from the panel like to add to that?

Mr. Robert Lewis-Manning: If I may, Mr. Iacono, I think one of the key aspects, which is why I brought it up in my remarks, is that we've traditionally had a separation around marine protection and risk planning. One of my concerns with this piece of legislation is that it actually doesn't encourage the integration of those two functions, both within the federal government and with affected stakeholders. There really is a need to do that. I believe it is the intention to do that under the oceans protection plan, but we haven't seen that yet. This is a key aspect of how we protect and manage our coasts.

[Translation]

Mr. Angelo Iacono: I'm going to give the rest of my time to my colleague to Mr. Hardie.

[English]

The Chair: Mr. Hardie.

Mr. Ken Hardie: Thank you, Angelo.

Mr. Lewis-Manning, in the previous panel, we heard concerns expressed about the articulated tug and barge combination. This was apparently the case with the *Nathan E. Stewart*. Although the barge itself didn't spill anything, the tug did. Had that barge been loaded, perhaps it would have been a much more difficult situation. Is there something inherent about a tug-barge articulation type of set-up that creates additional risk or peril?

• (1715)

Mr. Robert Lewis-Manning: On the face of it, no, but just reflect on my last comments. We haven't seen a report from the transport safety board, so I don't want to speculate on what the causes of that accident would have been, or are, but I would say it's a specific aspect of marine transportation on the coast that does deserve study. It was studied immediately after the grounding by the Pacific Pilotage Authority with respect to pilotage waivers, but I think we need to go one step further. Maybe I am repeating myself, but the need to integrate marine protection planning, which understands impact, with risk planning is an important element. It needs to be increased in our capabilities on all Canadian coasts but I think accelerated in the context of B.C.'s north coast.

Mr. Ken Hardie: I have a longer question that I'll have to save, hopefully, for another opportunity.

Mr. Leach, we had calls to include all petroleum products in the ban. What do you know about the segmentation we've done here, of the persistent oils or products versus the others, that would make the list not included in the act acceptable, in your view? What are the properties?

Dr. Andrew Leach: Again, I'm by no means an expert in spill response or behaviour of spilled petroleum, so I want to avoid making any comments in that area.

In terms of where I highlighted the list and where I think there are some issues, first of all, insofar as it would relate to any potential refining asset on the west coast, understand that those refineries produce a wide slate of products. It's not simply a matter of saying that we want the high-value stuff and we don't want the low-value stuff, or that we want the light ends and we don't want the heavy ends. You want to make sure you have options to move those products. A lot of those refinery products tend to be products that have thinner markets, the ones where you would be able to take advantage of having an export market.

We saw the most recent National Energy Board forecast. Fossil fuel demand in general and refined product demand are forecast to peak in Canada. Gasoline has already peaked, according to their analysis. We're going to see more of a push, even from our existing refineries, to be able to move those products to markets. Where are those markets? They're not in the U.S. The U.S. is seeing the same changes we are, and they're already a big net exporter of products. If we want those refineries to continue to have markets for their products....

It's a gasoline, diesel, and jet business, but you want everything to be able to move to its highest-value market to make those businesses as viable as possible.

The Chair: Thank you very much, Mr. Leach.

Mr. Badawey.

Mr. Vance Badawey (Niagara Centre, Lib.): Thank you, Madam Chair. I'm going to have a couple of quick questions, and then I'm going to pass it to Mr. Hardie, as this is, I'm sure, of great interest to him, this being his area and jurisdiction.

With respect to the voluntary moratorium, it's been in place since 1985. Within that time, we've seen environmental assessments that have taken place, and environmental assessments that have in fact attached themselves to economic assessments, and with those came recommendations involving communities, municipalities, first nations, etc.

My first question is, what do you think is going to change if the moratorium bill becomes an actual act?

A voice: Is that to me?

Mr. Vance Badawey: It's to anyone who wants to answer.

Dr. Andrew Leach: I think the biggest difference here is that the exclusion zone is transit, not port call, whereas this is a port call bill. It's not an innocent passage bill; it's a bill that prevents what the exclusion zone does not prevent currently, which is large vessels moving into harbours, principally in Prince Rupert but in other deepwater harbours as well.

Mr. Vance Badawey: Thank you. The Coastal First Nations Great Bear Initiative commissioned an environmental assessment, an economic assessment of the development of the Pacific north coast to identify the economic, traditional, and substance activities taking place within that region. I'm sure you folks are aware that's being done. As well, they evaluated the impacts of the oil spill on the coastal first nations commercial and traditional activities.

What I was getting at is that with the analysis being completed, they also identified that the costs of one spill—one spill—could exceed the benefits derived by the overall community over a project's lifetime. How should municipal organizations and petroleum companies account for and seek to mitigate these risks?

• (1720)

Dr. Andrew Leach: Do you want to start?

Mr. Robert Hage: Yes. Back to the question about what the change might be, I think that's exactly right. The tankers can avoid the ports. If they want to ship in that area, they simply won't ship out of a Canadian port, but they'd still have the right to navigate and ship the contents through that whole area. In a sense, that's not what you want, but that's what you're likely going to get from this.

Mr. Vance Badawey: Can you answer the second question?

Mr. Robert Hage: On the second question, it depends. I think there are measures, obviously, you can take to respond to that. I referred to the Eagle Spirit, and I think you're going to hear more about that on Thursday. There is a group of nine first nations that are prepared to put in a system that will take oil to north of Prince Rupert. That's going to be something. You can ask them how they plan to deal with that particular aspect. In a way, it's the only game in town. What's there now is that you're not going to have terminals on the Pacific coast, not because of this legislation but because the government has control over it. Again, I think you have to ask what the purpose of this legislation is.

Mr. Vance Badawey: Thank you.

I'm going to pass it to Mr. Hardie now.

The Chair: You have one minute left.

Mr. Ken Hardie: Mr. Leach, I'd like you to expand a little bit on the area you touched on. We have certain things that we won't allow to be shipped out by a tanker; other things we will, which would be present at a port, especially if we had a refinery there. If we had a refinery there, would there be by-products of that process that you'd have to somehow deal with that would make a refinery basically economically unsustainable?

Dr. Andrew Leach: I guess the question would be, under what view of future refining margins? Building a new refinery—and I've written on this a lot—is an economically challenging proposition unless you create restrictions that make it economically viable. In a way this legislation would change the economic case for a refinery because one way to avoid—

Mr. Ken Hardie: Would that be for the better or for the worse?

Dr. Andrew Leach: It would be for the better, at the expense of the value of our crude. It's not creating value; it's just transferring value in the supply chain. If you can't move out heavy fuel oil, light fuel oil, waxes, lubricants, or whatever else you want to produce in an economically efficient way, then you're cutting at that value of the refinery.

To pick up a little bit on Mr. Lewis-Manning's point, a lot of these ships that are going to move those things in an efficient way might not be moving a large cargo directly from that refinery but are picking up from a variety of places along the coast and then moving that product out. By preventing the access of that vessel, even to pick up a relatively minor commodity out of either a refinery in B.C. or from rail equipment in Alberta, you are potentially restricting the value of that processing.

The Chair: Thank you very much, Mr. Leach.

Mr. Lobb.

Mr. Ben Lobb: I'm going to pass my time to Mr. Chong.

Hon. Michael Chong: Thank you, Mr. Lobb.

Dr. Leach, I have some more questions about pipeline capacity. I understand you said earlier that pipelines are near capacity today. By my calculation, with the Liberal government's approval of Kinder Morgan's Trans Mountain pipeline, that will bring on an additional, roughly, 590,000 barrels per day. With the Trump administration's approval of Keystone XL, that's another 800,000 barrels a day.

• (1725)

Dr. Andrew Leach: It's another 830,000 barrels a day.

Hon. Michael Chong: In my rough calculation, these pipelines that have been approved will allow for an additional 1.39 million barrels of oil a day to be exported from Alberta.

In June of this year, the Canadian Association of Petroleum Producers, revised their latest growth forecast for oil sands and conventional oil production, saying that they expect oil production in Canada to grow from 3.85 million barrels per day of production last year to 5.1 million barrels per day in 2030. That's an additional 1.2 million barrels per day.

It would seem that the two new pipelines that the current government has approved will be able to handle much of the increase in oil production we will be seeing over the next 12 years.

Dr. Andrew Leach: Also, drop in the Redwater refinery, taking about 50,000 barrels a day out.

Hon. Michael Chong: Yes.

In your view as an economist, is there the need for additional pipelines to be constructed in order to meet that increased production; or in the interim, are we at an adequate level?

Dr. Andrew Leach: As long as we see those two pipelines go ahead, our market is well served. I recently wrote in *The Globe and Mail* that building another project, Energy East being the example at that time, would lead to us overbuilding our pipeline capacity and to an inefficient transportation network.

Hon. Michael Chong: It's safe to say, then, that between now and 2030, if the projections hold correct, which is a big "if", the moratorium proposed in this bill is a bit of a moot point, because that additional supply will be handled by the two existing pipeline proposals that have been approved.

Dr. Andrew Leach: We are moving some by rail right now, though. I wouldn't want to say it's completely moot, because I'm sure CN or others might take some issue with that.

Hon. Michael Chong: Thank you. I have no further questions.

The Chair: Mr. Sikand, you have two minutes as our last speaker.

Mr. Gagan Sikand (Mississauga—Streetsville, Lib.): My first question is for Mr. Lewis-Manning.

Do you have the number of vessels moving in and out of the ports on the B.C. coast?

Mr. Robert Lewis-Manning: I don't have that readily available, but the number of transits in the entire B.C. coast is in the vicinity of 10,000 to 12,000 annually. That's heavily skewed to southern British Columbia.

Mr. Gagan Sikand: Okay.

Do you know what percentage of those vessels are carrying petroleum goods?

Mr. Robert Lewis-Manning: Broadly speaking, petroleum could be a number of products, from heavy oils to lighter, and then chemical products. It's a fairly low number. It's certainly below 10%.

Mr. Gagan Sikand: That's as a whole. Heavier oils would be even less, maybe 5%?

Mr. Robert Lewis-Manning: It would be significantly less. It would be in the vicinity of 3%, but I would need to confirm that.

Mr. Gagan Sikand: Okay.

My second question is for Ms. MacDuffee.

If the moratorium in the bill were to pass, I assume that this would just change the pattern in which vessels travel. Do you have a concern that the southern coast will be affected by a spill?

Ms. Misty MacDuffee: Absolutely. I would say that this should apply to the entire coast, only I don't want to convolute the existing bill before you.

Even though we think of the north coast as treacherous and rugged in terms of navigational hazards, the problem with the south coast is the volume of vessel traffic, so risk is very high. We have, in some cases, more vulnerable and threatened populations on the south coast. If we just look at southern resident killer whales, the noise alone from increased traffic is a risk from, say, Kinder Morgan's tankers, but a spill that we've modelled can cover up to 80% of critical habitat. The chance of southern residents being in that critical habitat is high. The implications for just one population of killer whales on the south coast could be catastrophic.

Mr. Gagan Sikand: Thank you.

The Chair: Thank you very much to the witnesses. It's been a very informative afternoon, so thank you, all, very much.

To the committee, thank you.

The meeting is adjourned.

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