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**Senate Standing Committee Speaking Notes**  
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**Introduction**

Good morning honourable chair and members of the committee.

On behalf of Noia's almost 600 members, thank you for coming to our province and providing time for Noia to address some of our concerns with Bill C-69.

**Industry Value**

Our offshore is vast. An independent assessment by Beicip-Franlab based Paris, determined there are over 49 billion barrels of unrisksed oil off our shores; and only 7% of our offshore has been assessed yet.

To quantify the impact of our industry, Noia engaged an economist to determine the value of our offshore.

The full report is online at [ImagineThePotential.ca](http://ImagineThePotential.ca). I have submitted copies and will provide highlights today.

In 2003, the offshore oil and gas industry accounted for 36% of the province's GDP, and for several years contributed at similar levels. In 2017, it remained high at 23%.

In 2017, the industry accounted for 23,500 jobs in Newfoundland and Labrador, resulting in \$2 billion worth of labour income and \$1.4 billion of consumer spending.

There were also over 10,000 jobs in the rest of Canada due to the Newfoundland and Labrador offshore industry.

Using data from reliable sources such as Stats Canada, a conservative number of 2.2 billion barrels was used to forecast future benefits.

Should such development occur, by 2045, Newfoundland and Labrador has the potential to receive over \$100 billion in royalties and taxes.

That is game changing for a province of 525,000 people.

In 2033, the model indicates wages and consumer spending could double to \$4.6 billion and \$3.5 billion respectively. All this from 56,000 jobs.

The model also predicts \$3.3 billion of tax revenue to other provinces and Ottawa in 2033.

### **Bill C-69 Concerns**

However, we do face impediments to achieving this potential.

Specific concerns for Noia's members regarding Bill C-69 are the ambiguity in the legislation pertaining to the power of the Minister and the Governor in Council with respect to establishing timelines and suspending the time limit.

Provisions within the legislation that permit an ability to, and I quote, "extend the time limit extended" do not provide clarity or certainty that investors seek and expect. [section 28 (7)]

The Canada-Newfoundland and Labrador Offshore Petroleum Board is the regulator closest to the resource and Noia members insist there be a legislated role for offshore boards in the review process.

As well, exploration drilling programs, typically a 30 to 90-day activity, should not be on the designated project list. Exploration wells offshore Newfoundland and Labrador have well-defined mitigation measures from decades of activity and involvement of the regulator, the C-NLOPB.

### **Wood Mackenzie Study Jurisdictional Comparison**

Noia recently engaged international consulting firm Wood Mackenzie to compare the environmental approval process for exploration wells in Newfoundland and Labrador to international jurisdictions such as Norway, the United Kingdom, and Australia.

These are considered leading jurisdictions for environmental protection and are also some of the jurisdictions Canada is competing with for global investment.

You will see in the slide Noia has provided that:

- In Nova Scotia, the average is 698 days for assessment.
- In Newfoundland and Labrador, the average is 905 days under CEAA, 2012.

There are another five projects currently under review ranging from 124 days to 907 days.

In Australia the average is 144 days.

US Gulf of Mexico (Deepwater) – 96 days.

Norway – 79 days.

UK – 18 days.

Do these comparisons illustrate that we are competitive? Noia members suggest not. The data speaks for itself.

To attract and retain investment; to achieve our potential – that \$100 billion in royalties and revenue – we need efficiency and we need to be competitive.

### **Conclusion**

We have an opportunity to use Canadian offshore oil – which is 30% below the global average for greenhouse gas emissions at extraction – to help meet the energy needs of the world.

Let's get this legislation right so we can use Canada's natural resources, developed in a safe and environmentally conscious manner, to meet the world's energy demand.

I thank you again for your time and consideration and ask that you help us reach our potential.