

Minister
of Natural Resources



Ministre
des Ressources naturelles

Ottawa, Canada K1A 0E4

SEP 02 2016

Mr. Larry B. Buzan, President
Mr. Paul Mandry, Vice President
Ms. Nikki Sitch, Past President
Canadian Association of Petroleum Landmen
520–5th Avenue South West, Suite 1600
Calgary, Alberta T2P 3R7

Dear Mr. Buzan, Mr. Mandry and Ms. Sitch:

The Office of the Prime Minister sent me a copy of your letter of June 13, 2016, about the construction of pipelines and the importance of moving our natural resources to markets.

The oil and gas industry provides important benefits to Canada. We recognize that Canada competes with other oil suppliers in the global crude oil market, and that new infrastructure is required to support expected growth in Canadian crude oil and natural gas production. Despite the recent economic downturn, Canada's oil and gas industry remains a cornerstone of the Canadian economy. In 2014 this industry provided direct and indirect jobs to more than 700,000 people and generated over 10 percent of Canada's gross domestic product. Between 2010 and 2014, this industry also contributed an average of \$20.3 billion per year in taxes, royalties and fees to governments. This revenue helps support government services such as health care, schools, housing and highways.

Over the longer term, oil demand is expected to continue to grow with the recovery in global economic growth. The Government of Canada recognizes the importance of infrastructure development to access new and growing markets. With our extensive oil and gas reserves and unparalleled expertise, Canada is well positioned to contribute to meeting this demand as a reliable, secure and responsible supplier of energy to global markets.

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In the 21st century, we can no longer discuss economic development without talking about environmental responsibility – the economy and the environment must go hand in hand. The Government will work with provincial and territorial governments to grow our economy in a sustainable manner, protect our environment, help Canada meet our climate change obligations and spur innovation, which will make the industry more resilient over the long term. We understand the need to sustainably develop our energy resources, better engage Canadians, conduct deeper consultations with Indigenous Peoples, and continue to base decisions on science, facts and evidence.

On June 20, 2016, the Government launched a comprehensive review of federal environmental assessment processes, which will focus on rebuilding trust in environmental assessment processes, modernizing the National Energy Board, restoring lost protections, and introducing modern safeguards to the *Fisheries Act* and the *Navigation Protection Act*. This builds on the Government's January 2016 announcement of its interim approach for projects currently undergoing an environmental assessment, including major pipeline projects and liquefied natural gas facilities, which will enhance our engagement of Indigenous Peoples and provide opportunities for Canadians to express their views. One of these principles is that direct and upstream greenhouse gas emissions linked to the projects will be assessed before the Government makes a final decision on them. Engagement and consultation are also important elements in this process and input from Indigenous Peoples, provinces and territories, and a range of interested parties, including the public, industry and environmental groups, will be sought. We welcome your participation in our online consultation on the following website: www.canada.ca/environmentalreviews.

Thank you for writing.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Jim Carr". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

The Honourable Jim Carr, P.C., M.P.