

burden on developers in this environment than when applied to oil and gas activities in southern Canada. Project proponents are spending enormous sums in the early years without financial returns and industry would like to see less detailed regulation early in a project. The complaint continually voiced by industry to the Committee was that bureaucratic decision-making is lagging and is hindering timely development.

The Committee recognizes the validity of these concerns but considers that there is an onus on developers to prove that proposed projects will not be destructive. Conforming to regulation gives public assurance in this regard. Moreover, the regulatory decision-making process provides the vehicle for resolving conflicts between the policy of oil self-sufficiency and such northern policies as protection of the environment, public participation in decision-making, regional benefits or the settlement of land claims. Taking into account all the implications of a major energy project is a time-consuming business. The danger is that regulatory delay in meeting the nation's goal of self-sufficiency may cause direct political decision-making, without genuine public hearings, and a tendency to override legitimate concerns in the interest of having timely decisions.

Effective protection, the Committee feels, is not accomplished by duplication or overlapping of procedures. Long drawn-out processes frustrate both developers and those charged with regulating their activities. Streamlining the regulatory system does not have to mean giving less priority to such matters as the northern ecosystem or regional economic benefits but it does mean that the regulatory machinery should be able to respond effectively and responsibly when it is called upon to oversee a major development project.

The report outlines the present regulatory process for major projects north of 60°. The procedures are separated functionally and are generally commented upon in sequential order, although review can in some instances occur simultaneously under separate processes.

1. Oil and Gas Development

Government claims that the new oil and gas management regime introduced in March 1982 as part of the National Energy Program will simplify meeting regulatory requirements by providing one point of contact with the industry in oil and gas operational matters through the Canada Oil and Gas Lands Administration.

... we need to have a common federal position. That is why the COGLA single window is so critical. Otherwise, the industry is approached from 16 different quarters. (Mr. H.A. Reynolds, OIRB, IT and C, Issue 36:11, 15-9-1982)

The Committee heard from a number of departmental witnesses on their respective roles in the regulation of oil and gas activities in the North, and the evidence clearly established that a number of departments still retain operating responsibilities to oversee various facets of development. Even in cases where they provide an advisory function to COGLA in its negotiations with industry, these agencies continue to have an operational link with industry and COGLA cannot therefore be said to represent the single point of contact.

Under the new *Canada Oil and Gas Act* enacted in March 1982, COGLA issues oil and gas exploration permits and production licences. Among other concerns, COGLA monitors