

many competing proposals also deserve sympathy. Projects are complex; the consortia behind them are intricate; the technologies are new; and the financing requirements are complicated. To respond to all of the issues raised by just one proposal is mind-boggling. The complexity of the process coupled with budgetary constraints and loss of key personnel to industry have diluted the government's ability to keep pace with, let alone respond in a timely way to, frequently changing industry plans. These changes in plans often involve substantive financial commitments and short response times, only two of many factors that frequently put undue pressure on the regulatory machinery to respond effectively and responsibly. The Committee sensed no real disagreement on the part of government witnesses that the system is becoming unmanageable.

*It is a regulatory maze; there is no question about that.* (Mr. M. Taschereau, COGLA, Issue 35:16, 14-9-1982)

A complete overhaul of legislative and administrative requirements leading to a major realignment of responsibilities would in the immediate term create decision-making bottlenecks. Decision-making on current proposals should not be deferred for such an eventuality; in the meantime, however, it should be possible to rationalize some of the present processes to reduce overlapping responsibilities and give industry the clear answers it seeks. The Committee is convinced that effectiveness is reduced by over-regulation if one regulation could be as effective as four in accomplishing the same objective.

While northern petroleum development has been under discussion for more than a decade, a policy vacuum has persisted which may have deprived regulators of the framework they require to formulate effective and enduring rules. Regulators must comprehend the objectives of regulation within the policy-making process in order to achieve a balance between efficiently allocating energy resources and protecting vulnerable interests. Regulatory interventions must be directed at solving specific problems and must be informed and well-reasoned if they are to be both regionally and nationally accepted. To whom costs and benefits accrue and how regulation fits the particular circumstances are other questions that must be addressed. In the North, with its diversity of interests, regulation should probably err on the side of protective measures but this will produce a trade-off in terms of timely decision-making.

The Federal Government has started to put in place the elements of its policy framework for northern hydrocarbon development. In the introductory section of this report, the Committee has already made a recommendation about expediting the other measures that are intended to form part of the policy package. This emerging policy framework should provide the parameters for evaluating the relevancy of the existing assessment process.

A beginning has already been made to improve information exchange with the announcement in January 1983 of twice-yearly publication of regulatory agendas. This will provide early notice to the private sector of proposed regulatory initiatives before they become final. As far as can be judged, however, each department will publish new regulations separately without reference to its own existing regulations or another department's activities. There is a more pressing need within each department to evaluate how each regulation relates to others and whether old regulations have become outmoded or superseded. The Committee consequently believes that the reform outlined does not go far enough.