



Northern Development Commission

[The Minister](#)
[News](#)
[Search](#)
[Reports & Publications](#)
[Contacts](#)

The Commission

- [Commissioner John Backhouse](#)
- [Our Mission](#)
- [Our Mandate](#)
- [What We Do](#)
- [Northern Development Act](#)
- [Administrative Structure](#)
- [Site Map](#)

[Commission Home](#)

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Offshore Oil & Gas Report

Report to the Northern Development Commissioner from The Conflict Managers Group September 15, 1999

Table of Contents

- [Introduction](#)
- [Our Mandate](#)
- [Central Themes](#)
- [Conclusion](#)

Introduction

The existing oil and natural gas moratorium on offshore exploration activity has been the subject of much private and public debate, particularly in northern British Columbia. With the difficult economic situation in that region, together with putting into production the Hibernia field off the East coast of Canada and the experience with the even larger North Sea production fields, it is apparent that there is a heightened and growing interest within the northern community to speak out on the matter. Presumably, this initiative was established in response to that public dynamic.

[Back to top](#)

Our Mandate

Essentially, our task was to conduct a feasibility study into the prospects for constructing an appropriate process surrounding consideration of the existing moratorium on offshore oil and natural gas exploration. To accomplish that purpose, we have engaged in a number of confidential conversations with members of major interested groups and a variety of concerned individuals, to determine their interest in participating in a consensus based process to consider whether the current moratorium ought to be lifted or kept. These conversations, for the most part, were conducted on an individual basis. Commitments were given to those who participated that their names would not be revealed and no attribution would be made with respect to any of the views or opinions they expressed. This helped ensure - as best one can - that the conversations would be frank and candid.

We are pleased to advise you that, almost without exception, the persons we interviewed were ready and willing to share their views and concerns with us and they spoke their minds in an intensely personal way. We were impressed with their thoughtfulness and excited by many of their ideas. The total number of persons to whom we spoke would be approximately 140 individuals, including from the following communities:

Terrace
Port Clements
Prince Rupert
New Aiyansh
Gitwinksihlkw
Kitkatla
Port Simpson
Skidegate
Queen Charlotte City

Masset
Kitimat
Port Edward
Stewart
Hartley Bay
Kitamaat Village
Greenville
Old Massett
Sandspit

Some of the conversations were brief but many lasted several hours, especially where there were a number of persons present. In some cases, individuals with whom we had already spoken contacted us again personally, or by telephone, to offer further thoughts. Many of the persons that we interviewed were contacted by us and arrangements were made to meet. A number of other names were provided to us, either by persons that we interviewed or, in other cases, by interested individuals or organizations. Additionally, a number of persons made contact with us requesting an opportunity to be involved. In each such case, we arranged to meet with those individuals. As a consequence of the large number of persons with whom we spoke, the fact they ranged across a diverse spectrum of stakeholders and communities and, most importantly, because of the frank and candid way in which the discussions took place, we are confident we have had an opportunity to hear the voice of the northern communities at this time on this issue.

[Back to top](#)

Central Themes

In our conversations, some central themes emerged. One was that the communities themselves must be brought into the decision making process. In the view of many, this fundamental principle has been ignored with respect to issues of vital concern to the north. There is a strong consensus that decisions to lift or maintain the moratorium should be largely made in the north, as far as is practicable. Put differently, we were told over and over again that those persons who are most directly affected on this issue are the people who live in the northern communities - all of them - and their views and concerns should be given paramountcy.

Another central theme was the need to get clear, credible information on the present state of the technology in the oil and gas industry. Similarly, many want to obtain and evaluate objective data concerning the experience of other communities, in relation to the Hibernia and the North Sea developments, in terms of the economic benefits and the impacts or effects on the social and economic fabric of the surrounding communities or on specific sectors, such as the fishing industry. What they want, indeed they insist on getting, is direct, accurate information so that they can make an informed judgment about any risks to be incurred and the real nature and extent of the lasting and sustainable benefits that can reasonably be anticipated to flow. As one person stated: "We get packaged fear and overblown propaganda but no reliable facts."

As we have said, the conversations that took place were intense and constructive. Both the tone and the substance of these conversations demonstrated that people have thought hard about this subject. Many of the views presented to us were framed in the form of a thoughtful and balanced analysis. To illustrate, a number of persons proposed that information be obtained and circulated based on the actual experience of the economic and environmental impact on communities on the east coast and the North Sea. This reasoning was based on the premise that people could then better assess the community benefits that can be anticipated, measured against what would then be involved to bring the resource into production. Again, this analysis demonstrates the interest in objective, quality information that people believe is needed by the northern communities to make intelligent and informed judgments.

[Back to top](#)

Conclusion

As we have noted, our task was to determine whether there is sufficient will and ability within the northern communities to go forward into a consensus based process that would consider the potential of lifting or keeping the current moratorium. In our opinion, the answer to that question is in the affirmative; we are satisfied there is a significant community will, interest and desire to go forward into such a process, with the important qualification that people must feel they can participate fully in the crafting of the process itself, including its makeup, composition and procedures, to enable northerners to play an effective role in making decisions. In a phrase, they want to be directly meaningfully involved.

At the same time, it is important to keep this matter in perspective. The concerns and expectations that motivate northerners must be considered in a provincial, if not national, context. To this point, we have had a number of discussions with persons and groups in the north. In our view, there should be constructed a similar process to gauge the will and interest of industry and the people in the rest of the Province before gauging the will of government.

We are not proposing a mass survey or poll. What we suggest is a replication and extension of the process that forms the basis of this report - private, focused discussions with key elements of industry, various levels of government and environmental groups to enlist their views. In short, it would now be timely and important to broaden the focus and scope of the discussions.

There is another benefit to be obtained. As we have already noted, northerners want to be involved in a meaningful way in any decision making but they are demanding clear and credible information so as to intelligently form their judgments. Presumably, that information is either available, or can be made available, through the groups or persons with whom we would be having our discussions. This would enable us to better advise on the structure and content of an appropriate consensus based process model that responds to the needs of the persons with whom we have already met but also those other groups with whom we would propose to meet.

To summarize our conclusions, we have found a serious will and interest in the north to develop a process model to carefully examine the merits of this public policy issue. This cannot be done in isolation from the rest of the Province or, to some degree, the Country. The current approach should therefore be expanded to cover key elements outside the north to obtain their views but also their capacity to enlighten and inform, through objective and reliable data, the members of the northern communities, as well as the larger community, of the considerations involved. The task would then to be develop a creative and constructive process model to reach a consensus on the issue. We are confident this can be done. As we have said, the discussions that have already occurred have been invaluable. What is now needed is to broaden and deepen the discussions and then construct a continued process to enable the communities, particularly in the north, to examine options and make choices.

[Back to top](#)

Friday, June 22, 2001