



2010 ALBERTA CHAMBERS OF COMMERCE RESOLUTION Provincial Land-use Framework: Achieving Sustainable Development While Improving the Regulatory Environment

Introduction

After an extensive public consultation process, the Provincial Land-use Framework was released in December 2008. The framework acknowledges that the current land management system is overwhelmed by the scope and pace of activity within Alberta and that stakeholder conflicts are increasing. It also recognizes that Albertans' quality of life cannot be maintained without systemic change.

The framework aims to manage growth, not stop it, and envisions that "Albertans work together to respect and care for the land as the foundation of our economic, environmental and social well-being." It identifies three desired outcomes:

- Healthy economy supported by our land and natural resources.
- Healthy ecosystems and environment.
- People-friendly communities with ample recreational and cultural opportunities.

The Alberta Chambers of Commerce applauds the Government of Alberta for the creation of the Provincial Land-use Framework and views it as cornerstone for defining the quality of life that Albertans hope to achieve, based on a robust and balanced discussion of the economic, environmental and socially desired outcomes in land-use decisions.

An effective cumulative effects assessment and management framework is key to sustainability and will facilitate more predictable project level assessments. It will allow Albertans to plan and adapt to the future and empower industry innovation. A long-term view is critical to rise above the current challenging economic times and strengthen the competitive advantage of Alberta, not just for this generation, but for those to come.

The Land-use Framework can provide a balanced and integrated forum for determining societal views on sustainability, leading to less litigious, confrontational, and polarized discussions. Through this process, the regulatory efficiency and certainty for Alberta land-use decision making can be enhanced to improve jurisdictional competitiveness while also enhancing economic, environmental and social outcomes.

Discussion

The Alberta Chambers of Commerce's response to the Provincial Land-use Framework can be summarized in the following key themes:

- The need for a comparative economic framework.
- Rigorous regulatory impact assessments.
- Regulatory efficiency to improve the economic climate and environmental outcomes.
- Co-ordination with provinces, territories, and the federal government on transboundary priorities.



- Meaningful and measurable outcomes and indicators for the province and regional planning areas.
- Commitment to communication and reporting.
- Balanced representation.

The need for a comparative economic framework

The Alberta Chambers of Commerce believes that strong economic development should be the highest priority of the Government of Alberta with respect to the Provincial Land-use Framework, but recognizes that there must be a balance between the economic, environmental and social outcomes. All regions in Alberta must share this focus on economic competitiveness to ensure the province optimizes the economic potential of its natural resource base and business-friendly reputation. Unquestionably, a productive and growing economy drives prosperity, and high-quality social outcomes can only be achieved through a strong and sustainable economy. Economic growth and profitability allow companies to invest in technology and innovation that has the potential to further reduce environmental impacts. That said, the Alberta Chambers recognizes that economic development should not come at the expense of the environment – in particular the surface and subsurface water resources of the region.

Comparable and consistent economic measures must be collected, disseminated, and analyzed in order to accurately assess and compare the contribution of each sector to the economic prosperity of the region. Measures such as GDP (gross domestic product), total employment, economic output, and potential economic output are all key indicators that inform economic comparisons across industries. The Alberta Chambers strongly encourages the Land Use Secretariat and Regional Planning Teams to publish, utilize, and promote the maintenance of a set of consistent and comparable economic measures across economic sectors in all of their published materials moving forward.

Rigorous regulatory impact assessments

Land-use planning requires foresight and leadership. Rigorous follow-up and assessment of outcomes, throughout and after implementation, will position the provincial government to anticipate and respond to unanticipated consequences of the framework. The Alberta Chambers is cognizant that areas with strong regional planning processes and prescriptive land-use policies, such as Queensland, Australia, and New Zealand, face many unintended impacts, such as housing affordability issues from land rationing.

Scenario-modelling processes may be an effective tool to illustrate to Albertans the potential impacts of decisions.

Regulatory efficiency to improve the economic climate and environmental outcomes

One of the greatest opportunities of the Land-use Framework is to improve regulatory efficiency which can serve to enhance both environmental and economic outcomes. The Alberta Chambers would like this objective featured more prominently as a means for improving the investment climate, which is particularly important during periods of slower economic activity. Increasing the transparency of the regulatory process through improved clarity about permitted land uses will add predictability to the process, ultimately reducing compliance costs and positioning Alberta more competitively. The



province has one of the most comprehensive and stringent regulatory systems in the world. Any action taken to develop the Land-use Framework should improve regulatory effectiveness and enhance environmental outcomes.

In addition, the Alberta Chambers of Commerce believes that quasi-judicial bodies, such as the Energy Resources Conservation Board and the Alberta Utility Commission, represent the best avenue for siting linear developments and adjudicating disputes. The authority of these bodies and the judicial review of their decisions should continue uninterrupted and should not be diminished in the future.

Co-ordination with provinces, territories, and federal government on transboundary priorities

The effectiveness of the Land-use Framework to reach the desired outcomes may require co-ordination with adjacent provinces and territories and the federal government. The management of Alberta's ecosystems (including watersheds), electricity transmission, and pipeline infrastructure often requires a transboundary approach. A mechanism to engage stakeholders to ensure that policies are compatible is critical. Where policy is not aligned, an adequate dispute resolution process will be necessary.

Transboundary communication and co-operation also provide opportunities for sharing of best practices and joint initiatives to foster innovation.

Meaningful and measurable outcomes and indicators for the province and regional planning areas

The measurement of progress towards achieving desired outcomes requires the selection of meaningful and measurable indicators. The challenge is to ensure these indicators are directly linked to outcomes, are easy to communicate to the public, and are affordable to collect. There must also be balance between economic, environmental, and social measurement.

As the regional planning process moves forward, the Alberta Chambers looks forward to engaging in additional dialogue on the selection of indicators and the establishment of thresholds. Once these thresholds are defined, it is critical that the right balance of tools and fiscal measures be established to encourage progress towards desirable outcomes, discourage behaviours that undermine achievement of those outcomes, and recognize efforts already undertaken by existing land users.

This can be achieved by establishing environmental thresholds as triggers (rather than caps) to direct management action to balance predetermined social, economic, and environmental outcomes as an approach to cumulative effects management. Such an approach would enable industry to direct and allocate research and development resources to areas of highest priority in response to triggering the thresholds.

Commitment to communication and reporting

Public and stakeholder support of the Land-use Framework is critical to successful implementation. The regional plans must be balanced, allowing for all public input to be integrated and for major stakeholder groups to be consulted. Effective communication provides Albertans with current information about the status and trends in quality of life provincially and regionally, an understanding of the consequences of land-use choices, and up-to-date results of any efforts to manage cumulative effects.



Regular progress reporting and updating is important to ensure the policy remains relevant. The Land-use Framework commits to plan updates and reports every five years.

Balanced representation

The Regional Advisory Councils, along with the Government of Alberta, will play a major role in communication of the framework and land-use plans. Appropriate representation from major stakeholders will be critical to ensure the process remains constructive and inclusive.

The Alberta Chambers of Commerce recommends the Government of Alberta:

1. Lead a process that ensures consistent economic goals and targets are incorporated into all regional plans and integrated into provincial government decision making across all government ministries and organizations, including quasi-judicial boards.
2. Conduct rigorous outcome assessments to recognize unintended consequences of the Land-Use Framework, and minimize or respond to potential negative outcomes.
3. Ensure improving the efficiency of the regulatory environment is a key outcome of the Land-use Framework.
4. Conduct a regulatory impact assessment to determine the effects (including risk-adjusted costs/benefits) of any proposed policy changes.
5. Set clear direction as to the precedence and hierarchy of the land-use plan in relation to other government policies to guide regulatory decision making.
6. Incorporate federal stakeholders into Regional Advisory Councils where appropriate.
7. Develop a formal process to ensure that policies and initiatives from other provinces and territories or federal agencies work co-operatively with the goals of the Land-use Framework.
8. Create a transparent dispute resolution mechanism for disagreements between regions and within regions of Alberta.
9. Ensure robust economic, environment and social indicators, developed through the use of legitimate data sets and validated models, are linked to the desired outcomes of the Land-use Framework and are used to establish thresholds as triggers to direct management action rather than a cap-based system.
10. Conduct a public education campaign to provide Albertans with information about how the province develops and uses energy, our environmental challenges, and the environmental protection measures that already exist.



11. Use scenario-modelling processes as an effective tool to illustrate to Albertans the potential impacts of decisions.
12. Create annual reports and use multiple communications vehicles (website, speaking engagements, conferences, etc.) to publicize progress towards meeting targets, and engage stakeholders in developing strategies to improve the framework on an ongoing basis.
13. Ensure sufficient data is collected to enable a reasonable history to be defined before defining scenarios and a modelling process and targets.
14. Ensure all major stakeholder constituencies (economic, environmental, and social) are represented on the Regional Advisory Councils.