SUBMISSION OF THE GREEN PARTY OF CANADA

TO

THE WHITE POINT QUARRY AND MARINE TERMINAL
PROJECT JOINT REVIEW PANEL

June 29, 2007

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1. Introduction:

The Green Party of Canada is a federal political party founded in 1983. Our core principles embrace ecological sustainability and economic health, among six key pillars, including human rights, non-violence, and economic justice.

It may be unusual for a political party to present a submission at a panel review under the Canadian Environmental Assessment Act. In this case, I felt strongly that we should as the proposed project represents the antithesis of ecological sustainability and fails to meet minimum tests for economic health.

As an individual, my concerns about this project pre-date my election as Leader of the Green Party in August 2006. My relevant background to review the Environmental Impact Statement is having practiced environmental law (admitted to the bars of Nova Scotia and Ontario, currently not practicing), serving as Senior Policy Advisor to the federal Minister of Environment from 1986-1988 during which time one of my responsibilities was working with Environment Canada to obtain approval for legislating what was then a Guideline Order of Privy Council mandating the Environmental Assessment Review Process, that I resigned my position when the EARP was violated in the approval of permits for two dams in Saskatchewan, and having participated in dozens of environmental reviews, starting with the first EARP in 1974, of the Wreck Cove Hydroelectric project in Cape Breton. I do not claim to be an expert in any specific area of science, but I have formed expertise in the process and in the increasingly corrupted practice of EA.

I have a growing concern that environmental assessment risks becoming a pointless exercise due to the abuse of process by a series of proponents. Increasingly, it seems an exercise in wasting money, producing volumes of paper without useful information, and wastes valuable volunteer and public effort, not to mention the value for money from the point of view of the taxpayer. The purpose under federal law is clear -- to provide an adequate basis for assessing impacts to a broadly conceived environment (bio-physical, ecological, social and economic), addressing cumulative impacts, probing
need and alternatives and providing opportunities for meaningful public engagement. Generally, environmental assessment, when properly undertaken is designed to play a constructive role in project planning, allowing for alterations of a project to reduce impacts where possible.

The flaw in environmental assessment in Canada has always been the acceptance of “self-assessment” and the preparation of the EIS by the proponent. Over time, this flaw has worsened. Proponents increasingly churn out overly lengthy impact statements with the apparent intention of discouraging public participation through the intimidating weight of material. Environmental consulting firms tend to have developed a formulaic approach -- all impacts can be mitigated. There is no such thing as a finding of a significant environmental impact that cannot be mitigated.

Most Environmental Impact Statements do, at least, generate research that allows the panel, or agency, to assess the baseline state of the local environment and weigh potential impacts. In other words, even poor environmental assessments, such as that prepared last year for the Sydney Tar Ponds joint panel review, generate some useful information.

I have read the EIS submitted March 31, 2006 by Bilcon. This Environmental Impact Statement represents a new low in Canadian environmental assessment. Its length cannot obscure the fact that it is devoid of the minimum acceptable level of science required for a panel to assess impacts. The EIS repeatedly makes assertions unsupported by evidence. The EIS relies on anecdotal opinion for key conclusions. In fact, the report is dominated by conclusions offered as fact without any or adequate underpinnings of science or reliable information. As the panel itself noted on the opening day of these hearings, the proponent has not adhered to the guidelines set out in the November 2004 Draft Guidelines.

In my comments, I will attempt to focus on areas not covered by other intervenors. The Green Party of Canada wishes to support the excellent comments prepared by public
interest interveners: the Partnership for the Sustainable Development of Digby Neck and Islands Society, the Sierra Club of Canada-Atlantic Canada Chapter and particularly the devastating critique of the science by Dr. C. T. Taggart, the Ecology Action Centre, and the Canadian Parks and Wilderness Committee (Nova Scotia Chapter). Many thanks to these non-governmental organizations, staff and volunteers for their serious efforts with very limited resources.

2. Comments on the Bilcon EIS

My presentation will follow the chronology of the EIS.

a) Volume 4: Chapter 6

i) Misunderstanding and misrepresenting international agreements

NAFTA:

On pages 71-73, the proponent attempts to minimize the threat of Chapter 11 of the North American Free Trade Agreement (NAFTA). Although it does not state why it has focused on Chapter 11, it is clearly because local residents have raised the concern that a foreign investor will have special rights to pursue remedies and financial compensation should the Nova Scotia or federal government change the regulatory regime in a way that potentially reduced Bilcon’s expectation of profits.

The most straightforward way for the proponent to deal with this concern would have been an undertaking from Bilcon that it would not pursue Chapter 11 remedies, guaranteed through a security set by the Nova Scotia government.

Instead, it has presented a largely fanciful interpretation of NAFTA investor protections, uncontaminated by experience with Chapter 11. The EIS asserts that “Article 1114 implies that environmental considerations should receive priority over encouragement of investments.”
Further, the proponent attempts to rely on Article 12 of NAFTA was a protection for environmental measures that could trigger a Chapter 11 suit. In summation, Bilcon claims:

“Therefore, the broader goal of environmental protection conservation (*sic*) is binding on all parties in their adherence to the specific provisions of NAFTA, including Chapter 11.”

Clearly, as noted in the deficiency statements and responses, the Department of Foreign Affairs and International Trade disagrees. Significantly, Bilcon makes no reference to actual cases under Chapter 11 and their resolution.

In fact, Chapter 11 has been used successfully by U.S. corporations in suits against the Canadian and Mexican governments in a number of cases where both state and federal laws were claimed to have reduced profit.

In the case of *Metalclad v. Mexico*, the US waste disposal giant received damages totaling $18 million (US$), when an impoverished state government refused a permit for a 650,000 tonne/year toxic waste disposal facility near the community’s water supply. The groundwater was already contaminated. Environmental and health concerns were unable to weigh in the panel’s decision. In 2000, Mexico appealed to the named court of appeal within the case, the Supreme Court of British Columbia. The test on appeal is a very difficult one – the complete unreasonableness of the panel’s decision within NAFTA. Mexico failed.

The US PCB disposal company S.D.Myers of Ohio, won $50 million in damages against Canada for a ban on the export of PCB contaminated waste from Canada. In that case, significantly, Canada sought to rely on protections found in Article 24. Specifically, that article vouchsafed to hold harmless the multilateral environmental agreements already negotiated at NAFTA’s finalization. The three were the Montreal Protocol to Protect the Ozone Layer, the Convention on the Trade in Endangered Species, and the
Basel Convention on the transportation of hazardous waste. Clearly, Basel was relevant as a ground of defence to a Chapter 11 investor suit. The panel found that since the U.S. had not subsequently ratified Basel, it could not be raised as a defence, even though it was referenced by name in the NAFTA. Furthermore, even though it was illegal at all relevant times for the US to accept PCB contaminated waste, Canada was found to have committed an act tantamount to expropriation in prohibiting the export of something for which the US prohibited its import! Canada sought appeal to the court predetermined in this case, the Federal Court of Canada. The test was the same – that of wholly being unreasonable. Canada failed.

The case of Ethyl Corporation of Richmond, Virginia suing Canada over the banning of a neuro-toxic gasoline additive, MMT, is well-known. The Chapter 11 claim was never resolved by a panel as Canada sought a settlement prior to the ruling. The case was complicated by the fact that the federal government did not use the most appropriate legislation to ban the substance. Rather than use the Canadian Environmental Protection Act, the Environment minister at the time, the Hon. Sheila Copps, passed a new law restricting the inter-provincial trade in MMT. The difficulty had been that Health Canada was unwilling to support Environment Canada is using CEPA. An inter-provincial trade tribunal struck down the law leading to the settlement.

The key thing to understand about Chapter 11 is that findings in favour of a foreign corporation do not rest on the regulation or governmental policy shift being wrong in science. The sole issue is “did the investor company experience a reduced expectation of profit?” In fact, Ethyl Corporation in its settlement received money from the federal government for damage to its reputation in the House of Commons debate to eliminate a toxic additive. This is the same company that continues to sell leaded gasoline to the developing world. As explained by the Toronto lawyer who successfully represented both S.D. Myers and Ethyl Corporation, Barry Appleton, “It doesn’t matter if you are adding liquid plutonium to children’s breakfast cereal.” If you were allowed to do so and then the government banned the practice, the government would owe the foreign investor money.
Should this project be allowed to proceed, and Bilcon should in future face more stringent rules to protect Right Whales from ship strikes, to protect water quality or lobster habitat, or to reduce dust or noise, any and/or all of these events could give rise to a successful Chapter 11 suit.

The presentation of NAFTA Chapter 11 in the Bilcon EIS is worthless and misleading.

**Kyoto:**

Bilcon’s presentation of the Kyoto Protocol and the science of climate change is also riddled with factual errors.

The EIS claims that “whether the climate is changing is a matter of debate.” The clear element of rejection of the overwhelming scientific consensus is worrying.

The lack of familiarity with climate science is also reflected in this statement in the EIS: “A significant number of scientists are of the opinion that the earth warms and cools in long cycles that have nothing to do with greenhouse gases.”

It is clearly based on a lack of information, as reflected in the statement that the “Intergovernmental Panel on Climate Change (IPCC) summarizes the work of 2,000 of the world’s top climate experts.” This statement is factually wrong.

The IPCC is comprised of approximately 2,000 top climate scientists appointed by their governments, but they review the work of thousands more. In fact, the IPCC periodically reviews all the climate science published in peer reviewed journals all around the world.

The EIS also appears confused about which countries are parties to the Kyoto Protocol, or, as the EIS frames it colloquially, which countries have “signed on.” Becoming a party is a two step process, requiring signing and ratification. The EIS states
that 141 countries have signed on. In fact, over 160 nations are parties, having both signed and ratified. The EIS states that, in addition to the United States and Australia, “two of the world’s biggest – and growing -- polluters also have not signed on.”

The EIS does not name these two countries. As only the US and Australia have rejected ratification of the world’s major polluters, we are left to infer that as a result of half-baked research, Bilcon referenced China and India as non-parties to the Kyoto Protocol. In fact, both are parties.

This was brought to Bilcon’s attention in the Comments from government departments. In response, Bilcon attempted to suggest its error was semantic. In place of its earlier confusion, it offered more. Bilcon argued that the error was due to confusion between signing and ratifying. It now appears that Bilcon believes that ratifying can be achieved without signing.

Bilcon’s EIS is completely out of date, and was on the date on which it was submitted, as it refers to climate action plans of the previous federal government (Action Plan 2000 and Climate Change Plan for Canada 2002 under the Government of Prime Minister Chrétien, and Project Green of April 2005 under Prime Minister Paul Martin) all of which were cancelled by the Government of Prime Minister Harper prior to the tabling of this EIS. Similarly referring to the 11th Conference of the Parties (held November 28-December 10, 2005) as a future event in March 2006 is an error.

Nothing much hangs on these out of date statements. They merely indicate sloppiness.

Overall, it is clear that the proponent’s explanation of the Kyoto Protocol indicates unfamiliarity with the relevant science and with the nature of the obligations. It foreshadows Bilcon’s failure to consider the potential serious impacts of a changing climate regime on the project itself.
The United Nations Convention for the Protection of Biological Diversity:

The proponent does not reference this overarching framework convention to protect biological diversity. It is relevant to the World Biosphere and the National Park and wilderness areas, as the Convention, to which Canada is a party, calls on nations to exercise sensitive management around protected areas (article 8). A quarry and marine terminal are inconsistent with the protected areas and biosphere reserve. The self-interested assertion that “Bilcon does not feel that the project contravenes the principles of a proposed Bay of Fundy Biosphere reserve or the existing Southwest Nova Biosphere Reserve” might have been different if the obligations of the U.N. Convention for the Protection of Biological Diversity had been considered.

b) Volume 5, Chapter 7
i) Need for, Purpose of and Alternatives to the Proposed Project

Need:

The general understanding of the concept of “need” in an environmental review is far broader than that conceptualized by Bilcon. Bilcon has an entirely self-interested focus on need. It needs access to a source of raw aggregate material, not subject to market fluctuations. There are no external measurements provided for this “need.” The EIS does not explore the impact on either Bilcon or its parent company on either profits or production from having to access raw aggregate material and recycled aggregate material from concrete. The panel has confirmed in Bilcon’s evidence on the first day that, heretofore, Clayton has not operated its own quarry anywhere in the world. Its vaunted achievements, as celebrated in the Bilcon EIS, were managed in the complete absence of its own quarry. The EIS does not tell us how. The clear inference is that Clayton does not “need” this quarry to maintain operations. It merely wants it.

The broader conceptualization of need would include such questions as “Does New Jersey need more highways?”; “Does Nova Scotia, and Digby Neck and environs, in particular, need a quarry and industrialization?”; “Does the world need more concrete?”
It is noted, parenthetically, that concrete production is a significant contributor to Greenhouse gas emissions. Emissions from concrete production have increased 24% in Canada since 1990. Cement production, much of which goes into concrete, accounts for over 11 million tones of CO₂ (1.5% of Canada’s national emissions). This full life-cycle aspect of the project is not addressed. It is a serious concern, especially in Canada, where the current government has chosen to exempt concrete manufacturers from any GHG emission reduction targets.

Alternatives:

Turning to the question of alternatives, the proponent makes it clear that from a production standpoint, recycling concrete is a viable alternative. It rejects the pursuit of this alternative by stating as a conclusion that the supply of recyclable materials is inadequate. There is no presentation of any data as to the current practice of concrete recycling in Canada or in the United States, trends in availability of material for recycling, or costs and relative ease of access to raw versus recycled materials…The EIS simply tells us it is so.

The “do nothing” alternative is dismissed with an outrageous claim lacking evidence, or methodological framework, anywhere in the EIS. It is one of the most important of Bilcon’s unsupported assertions. Essentially, without having done even a rudimentary cost-benefit analysis of this project, Bilcon claims “the ‘do nothing’ alternative will not result in a viable economic diversification opportunity for the Digby Neck and region.”

The preceding section never identified as a purpose or need for the project “economic diversification” of the Digby Neck region. Is the panel to believe that the proponent’s motivation has suddenly shifted from its desire for a ready supply of basalt to the general benefit of residents of Digby Neck?
More significantly, the proponent has advanced the notion that its project would lead to economic diversification. It omits any examination of the very real risk that its 34 new jobs in the community will come at the expense of losing some or all of the lobster fishery and its over 300 jobs, loss of tourism jobs, estimated at over 80, with the opportunity cost of driving away new tourism investment. In other words, the “do nothing” alternative is more likely an attractive option in preserving a growing number of tourism jobs, maintaining a lucrative fishery and protecting a way of life.

In relation to tourism impacts, in Volume 7, Chapter 9, the proponent uses anecdotal evidence of the impact of the Cape Porcupine Quarry at the Canso Causeway on tourism in Cape Breton. This example is not particularly, or at all, relevant.

The Canso Causeway was constructed using material blown out of the side of Cape Porcupine in the 1950s. Had there ever been an environmental assessment on the building of the Canso Causeway, it is likely the alternative of a bridge would have emerged as the preferred option. The causeway had the effect of blocking migration routes for whales, other marine mammals and fish. The impact was to shut down what had been a successful multi-species fishery in that area. No one has studied the relative impact of the quarry in destroying the fishery compared to the causeway itself. It also created an ice free port in the Port Hawkesbury area, attracting large industry. Although some aspects of industrial expansion have closed (the Heavy Water Plant), the Stora pulp and paper mill and refinery, and other industrial facilities, visible from the Canso Causeway, remain.

Tourists coming to Cape Breton Island and crossing the causeway know that their scenic delights lie ahead and that the crossing is in a fairly industrial area. Given that context, it is interesting that as many tourists express concern about the quarry operations as do in Bilcon’s report from the Visitor Centre personnel. Bilcon concludes: “Commentary by the Visitor Centre manager indicated that they have not heard anyone express a view that the quarry operation has ruined their opinion of Cape Breton and will deter them from making a return visit.” xiii
This is useless information. Visitors stop at the centre at the beginning of their trip through Cape Breton Island. They are on the verge of exploring the Cabot Trail, the Cape Breton Highlands National Park, Fortress Louisbourg, the Bell Museum, and many other local attractions. It is interesting that as many tourists as 40 a day ask about the quarry at all.

In contrast, the proposed quarry on Digby Neck is not in an industrial area en route to a vacation destination, but is in the very area tourists have come to see.

A more applicable comparison would be the proposed quarry in the early 1990s, on Kelly’s Mountain along St. Ann’s Harbour on Cape Breton Island. Local opposition, as here, was strong. Local residents, as here, were concerned that the local lobster fishery could be negatively impacted by silt and gravel. Local residents, as here, were concerned that the scale of the operation was inconsistent with the community. Local residents, as here, were concerned that the quarry and marine terminal could have a negative impact on tourism. The quarry did not proceed. Neither should this one.

c) Volume 7, Chapter 9: Inadequate environmental review

As noted above, the Green Party supports previous submissions from environmental organizations, and does not wish to belabour points the panel has already heard. The following observations do not appear to have been raised to date.

**Water Quality:**

The Plain Language Summary in Volume 1 (at p. 16) claims that “research showed that the quarrying operations will not adversely affect the quantity and quality of the groundwater supply or the local wells.”

Following through the detailed sections in Chapter 9, this statement is not supported by research, or even argument. The claim that “Quarrying at Whites Point may
enhance the local groundwater regime by increasing storm water retention and aquifer recharge.”

Apologies if I have somehow failed to locate any justification for this counter-intuitive claim, but I cannot find anything to buttress this in the EIS.

**Adaptation to Climate Change: Sea Level Rise and increased Flooding:**

In this area, Bilcon has displayed a complete ignorance of key questions that should have been considered by any proponent proposing a Quarry along the Bay of Fundy and a marine terminal.

The summary claims: “The quarry will not cause saltwater intrusion since quarrying will occur well above sea level and the freshwater/saltwater interface and no pumping will take place.”

The proponent makes no allowance for sea level rise resulting from climate change. Given that the project is claimed to have a fifty year lifetime in operation and that sea level rise could have a significant impact in half a century, this omission is disturbing.

In Chapter 9, the discussion of sea level rise displays a complete ignorance of the increased risk of sea level rise as a result of climate change.

The proponent relies on a rate of sea level rise from the Atlantic Marine Geological Consulting Ltd. of 20-30 cm/century. This is widely at variance from the United Nations Intergovernmental Panel on Climate Change projection of approximately one meter sea level rise by 2100. That IPCC estimate is predicated on the expansion of volume in the oceans created by warmer temperatures. It does not include potential “tipping point events” such as the loss of the Greenland Ice Sheet or Western Antarctic Ice Sheet and its 3.2 million square kilometers of ice, as set out in the most recent IPCC
Summary for Policy Makers. Either of these events would have an impact of an additional 4-5 meter sea level rise.

Even the source on which the proponent relies, “Sensitivity of Coasts of Canada to Sea Level Rise,”\textsuperscript{xvii} (Shaw et al, 1998) places the rise in sea level at 0.65 meters by 2100, or more than twice the upper range of sea level rise cited by the proponent in the body of the EIS. It is likely that the study undertaken by the Geological Survey of Canada by Shaw et al would be quite different with the more recent sea level rise projections of the Fourth Assessment of the Intergovernmental Panel on Climate Change.

Moreover, the report relied on by Bilcon to downplay the potential impact of sea level rise in Digby Neck was a very coarse analysis, covering all of Canada, at a 1:50,000 scale. The increased vulnerability to sea level rise of a spit of land such as Digby Neck cannot be measured without more detailed, localized analysis. But even at a coarse analysis, the authors concluded that “the most sensitive region [to sea level rise in Canada] includes much of the coasts of Nova Scotia, Prince Edward Island and New Brunswick.”\textsuperscript{xviii}

The proponent failed entirely to assess the impact of sea level rise on its marine terminal operations, which are, as expected, at sea level, nor has it assessed the impacts of sea level rise, coupled with storm surges on its quarry operations. It has relied on an assessment based on nearly ten year old science, which in the rapidly evolving area of scientific consensus around climatic impacts is far too out of date to be useful.

Further evidence that the proponent has not adequately considered the risk factors of a changing climate regime is found in the Project description where Bilcon states that: “Positive surface drainage will be maintained on the quarry site with drainage ways and sediment retention ponds designed for 10 year flood events.”\textsuperscript{xix}

Given the changing climate regime, even planning for one hundred year flooding events is entirely inadequate. The dikes of the Rhine, built centuries before have been
overwhelmed by unprecedented floods. The story is the same globally. No one engaged in adaptation to climate change would consider planning for 10 year flood events as anything but reckless.

Regardless of the probabilities of tipping point events, the minimum projected sea level rise in the IPCC global consensus far exceeds the proponent’s estimate of 20-30 centimeters. Taking the conservative global consensus of as much as a half meter sea level rise by 2050 and adding the impact of storm surges, this EIS is entirely inadequate to assess the level of damage and potential infiltration of seawater into fresh water, nor of the potential damage to the site, with attendant contamination to the surrounding environment.

**Marine Mammals:**

As Dr. Taggart’s excellent brief made clear, the proponent ignored a large body of literature and minimized the impact on an extremely endangered species. In light of those comments, it is striking that what the proponent believed to be adequate investigation was a non-expert survey over a one month period in only one year. Bilcon contracted with a local whale watch operator to provide information on sightings of marine mammals and seabirds. Neither has a federal EIS process seen such an inadequate level of investigation for such a significant issue.

The issue of the plight of the extremely endangered Right Whale is further minimized by the reproduction of a chart prepared for another purpose of sightings of marine mammals in the Bay of Fundy two decades ago. Despite the fact that the North American Right Whale is the most endangered whale species on earth, the proponent lists the species as “Abundant locally.” It is hard not to interpret the proponent’s EIS as deliberately misleading.
The discussion of mitigation measures to protect Right Whale is premised on a number of questionable assumptions:

1) That avoiding blasting when Right Whales have been sighted is an adequate measure. Will blasting cease when visibility is poor? (Noted that blasting will not take place during fog, Chapter 7, p. 15, but there are many other weather conditions that impair visibility. Spotting right whales from the shore is problematic even in clear conditions).

2) That the shipping routes can avoid Right Whales, when Bilcon notes that avoidance is “at the ship captain’s discretion.”

3) That speeds will be reduced in areas where the probability of encountering whales increases, even though “the vessel’s speed is the responsibility of the ships captain (sic) and dependent in part on prevailing sea conditions.”

Conclusion:

It is a rare case, perhaps unprecedented, where the threat to an ecosystem, to existing employment and traditional sustainable industries, and community values from an unsustainable development, offering minimal economic benefit set against large economic risk, has been coupled with such a woefully sub-standard effort to assess impacts.

This is an occasion when a panel should express clear dissatisfaction. It is important to send a message not only to Bilcon, but to other proponents who attempt to meet Environmental Assessment obligations through volumes of meaningless paper.

Given the inadequate information base, the substantial threat to the most endangered whale species on earth, the contemptuous attitude of the proponent to community members and their legitimate concerns for their future, it is urged that the panel issue a recommendation that the proposed Quarry and Marine Terminal represent an unacceptable risk that cannot be mitigated.
List of References:

1. Bilcon EIS, Chapter 6, p. 73
2. Bilcon EIS, Chapter 6, p. 73
5. Bilcon EIS, Chapter 6, p. 73
6. Bilcon EIS, Chapter 6, p. 74
7. Bilcon EIS, Chapter 6, p. 73
8. Bilcon EIS, Chapter 6, p. 75
10. Bilcon EIS, Chapter 6, p. 78
12. Bilcon EIS, Chapter 7, p. 8
13. Bilcon, EIS, Chapter 9, p.104
14. Bilcon EIS, Chapter 1, section 7.1, page 17
15. Bilcon EIS, Chapter 1, section 7.1, page 17
16. Bilcon EIS, Chapter 9, p. 58.
18. Shaw et al, Abstract
19. Bilcon EIS, Chapter 7, p. 15
20. Bilcon EIS, Chapter 9, p. 75
21. Bilcon EIS, Chapter 9, p.132
22. Bilcon EIS, Chapter 9, p. 132