

---

For Immediate Release

## ***The offshore oil and gas industry is critical to Newfoundland and Labrador's economic future: CAPP's Newfoundland and Labrador Energy Platform***

St. John's, N.L. (Feb. 1, 2021) – The Canadian Association of Petroleum Producers (CAPP) has released its Newfoundland and Labrador Energy Platform, highlighting the critical role of the offshore oil and natural gas industry in the province's economic recovery.

The document outlines key regulatory and policy issues that will enable offshore industry sustainability and growth and is presented for the consideration of all registered parties and candidates in the 2021 Newfoundland and Labrador election.

The offshore provides the province an opportunity to supply responsibly produced oil and natural gas resources to world markets, while advancing its interests in lower-carbon energy and clean technology. Realizing this opportunity requires collaboration to overcome current challenges and regain industry momentum.

Specifically, action must be taken by the future provincial government in three key areas:

- Addressing short-term challenges to support industry sustainability.
- Implementing competitive fiscal and economic policies to encourage development and attract additional investment.
- Improving timelines and achieving efficiency and consistency in regulatory processes.

Included within these key areas are recommendations to: improve competitiveness by considering and implementing the findings of the Oil and Gas Recovery Task Force; expand on incentives and other fiscal regime changes to encourage exploration and expedite development in the offshore; advocate for the elimination of unnecessary costs to offshore projects, and; implement competitive timelines for authorizations and approvals.

Several offshore producing jurisdictions have revised their fiscal and regulatory regimes to increase their competitiveness, contributing to investment returning to these areas more quickly than it has in Newfoundland and Labrador. Addressing key challenges, such as lengthy timelines from exploration to production and high costs, while continuing to prioritize environmental protection and health and safety, will help improve the province's ability to compete for investment without compromising performance.

Capitalizing on the opportunity to support economic recovery through industry growth requires competitive policies and regulations to ensure Newfoundland and Labrador can compete with other offshore investment opportunities. It will also require any future provincial government to advocate for and demonstrate their support of safe, environmentally responsible offshore oil and natural gas development in Newfoundland and Labrador, including advocating for federal policy that supports the industry.

---

2100, 350 – 7 Avenue S.W.  
Calgary, Alberta  
Canada T2P 3N9  
Tel 403-267-1100  
Fax 403-261-4622

1820, 275 Slater Street  
Ottawa, Ontario  
Canada K1P 5H9  
Tel 613-288-2126  
Fax 613- 236-4280

1004, 235 Water Street  
St. John's, Newfoundland and Labrador  
Canada A1C 1B6  
Tel 709-724-4200  
Fax 709-724-4225

202, 1110 Government St.  
Victoria, British Columbia  
Canada V8W 1Y2  
Tel [778-265-3819](tel:778-265-3819)  
Fax 403-261-4622

CAPP's Newfoundland and Labrador Energy Platform is to inform all Newfoundlanders and Labradorians of the concerns and vision of the oil and natural gas business in a manner that is non-partisan. The business of energy is the business of every government of Newfoundland and Labrador regardless of its political persuasion. CAPP does not support or oppose any particular registered party or candidate.

CAPP's Newfoundland and Labrador Energy Platform can be found at [voteenergyNL.ca](http://voteenergyNL.ca).

**Canadian Association of Petroleum Producers quotes: Paul Barnes, Atlantic Canada and Arctic Director**

- “Addressing the challenges outlined in CAPP’s Energy Platform for Newfoundland and Labrador will help to encourage exploration activity and improve the province’s ability to compete for international investment dollars. A collaborative approach is so necessary at this time to show full industry and government support for responsible offshore development.”
- “Regaining momentum in the province’s offshore is critical to the economic well-being of Newfoundland and Labrador. Attracting investment will create employment, along with opportunity for local businesses and continued revenues for the provincial government – all of which support a strong economic recovery.”

**Supporting information:**

- Newfoundland and Labrador’s oil and natural gas industry provides employment opportunities for thousands -- about 5,000 direct jobs and up to an additional 20,000 indirect jobs.
- The industry supports hundreds of supply and service companies.
- Cumulative industry expenditures in Newfoundland and Labrador from 1995 to 2019 totalled more than \$50 billion.
- Cumulative royalties paid to the Government of Newfoundland and Labrador from 1998 to 2019 totalled more than \$23 billion.
- According to the Government of Newfoundland and Labrador, more than \$61 billion in gross domestic product (GDP) could be lost by 2038 due to cancellations, deferrals and suspensions of offshore activity and projects.

The Canadian Association of Petroleum Producers (CAPP) represents companies, large and small, that explore for, develop and produce natural gas and oil throughout Canada. CAPP’s member companies produce about 80 per cent of Canada’s natural gas and oil. CAPP’s associate members provide a wide range of services that support the upstream oil and natural gas industry. Together CAPP’s members and associate members are an important part of a national industry with revenues from oil and natural gas production of about \$116 billion a year. CAPP’s mission, on behalf of the Canadian upstream oil and natural gas industry, is to advocate for and enable economic competitiveness and safe, environmentally and socially responsible performance.

For additional information:

Jill Piccott

Advisor, Communications and Policy

(P) 709-724-4204

(E) [jill.piccott@capp.ca](mailto:jill.piccott@capp.ca)