



Response to the Government of Canada's "Getting Major Projects Built in Canada" discussion paper on proposed legislative, regulatory, and policy changes

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About Nature Canada

Nature Canada is one of our country's oldest conservation institutions. Our mandate has remained steadfast since 1939: to protect Canada's lands, waters, habitats, and biodiversity; by calling together Canadians with a shared love of nature, from every region and walk of life; and supporting informed dialogue between citizens and public institutions.

Today, we include a network of 1 200 local organisations, and have 250 000 individual members across every province and territory.

We work closely and constructively with Canada's federal, provincial, territorial, municipal, and Indigenous governments.

Context

Nature Canada welcomes the opportunity to respond to the federal government's "Getting Major Projects Built in Canada" discussion paper on proposed legislative, regulatory, and policy changes.

We led national deliberations, and responded to federal consultations, that we hope made positive contributions to "Canada's 2030 Nature Strategy: Halting and Reversing Biodiversity Loss in Canada" and the later "A Force of Nature: Canada's Strategy to Protect Nature".

We commend the federal government for those strategy documents. Our members feel strongly that they represent substantive and genuine commitments to protecting nature for current and future generations of Canadians, as part of our shared national heritage, as a cornerstone of national unity, and as the foundation for national prosperity.

As the federal government itself stated in the latter document, "Protecting high-biodiversity areas helps maintain ecosystem services, which in turn protect investments."

We also support the government's 2025 Speech from the Throne commitment to improve and accelerate federal environmental review processes, so Canadians can build major projects without unnecessary delays or unproductive inefficiencies, while maintaining environmental standards and responsibilities.



We recognise that conservation and prosperity must mutually reinforce one another, if either is to flourish: it would be impossible for our economy to grow while cannibalising nature; it would be impossible for nature to be conserved, if our society lacked the resources to meet the needs of our citizens.

It is for these reasons that we are deeply concerned about many of the proposals raised in the “Getting Major Projects Built in Canada” discussion paper.

We believe that this latest paper is in direct conflict with the federal government’s existing strategies, and would be profoundly counterproductive. If implemented as described, the proposals would:

- entrench the worst inefficiencies of the existing federal systems;
- increase the time required for major projects to pass from idea to implementation, and expose those projects to open-ended legal uncertainty and a withdrawal of social licence;
- create constitutional strife between federal and Indigenous governments.
- replace the rule of law with the discretion of individuals, and increase pressure for Ministers to allow political passions to sweep aside dispassionate science;
- set back the cause of national unity, and leave Canadians exposed to exploitation by foreign actors;
- harm nature irreparably, and in doing so, impoverish Canadians;
- jeopardise Canada’s existing and prospective trade agreements, most notably with the European Union.

There are far more effective ways for the federal government to achieve the legitimate goal of improving the environmental review process, so that industrial proposals are dealt with expeditiously by increasing the efficiency of those processes, rather than by lowering environmental standards or sidestepping the government’s environmental responsibilities to Canadians.

We are glad of the opportunity to lay these alternatives before the federal government. We hope the government will consider them seriously.

Removing Inefficiencies and Preserving Equality Before the Law

The discussion paper is built on the assertion that federal environmental assessment processes are “...complicated and time-consuming... There are issues like duplication, poor coordination between government departments, and consultation processes that can be difficult for Indigenous Peoples and project proponents to navigate.”

If the federal government has come to the conclusion that its own processes are the problem, then the appropriate response would be for the government to remodel its processes, so they are simple, efficient, and



operate with competent coordination between government departments, for all applicants and for all proposals.

Too often, the paper instead proposes measures to empower Ministers to allow favoured corporations or favoured projects to circumvent the government's processes or standards (eg, granting Ministers the power "to adjust [ie, lower] impact assessment conditions", granting Cabinet the power "to exempt specific projects from the application of the jeopardy test for species at risk", granting Cabinet the power to declare that "certain developments within specific zones are pre-approved").

This approach does nothing to rectify what the federal government is describing as debilitating weaknesses in its own processes, and would therefore leave the vast majority of applicants and proposals subject to systems that the government itself describes as profoundly flawed. Worse, it would embed a form of political favouritism in the government's processes, where a privileged few would have access to accelerated service, while the mass of Canadians would not. That majority of Canadian applicants would have legitimate grounds to complain that they are being placed at significant, and ethically dubious, competitive disadvantages.

Moreover, in the absence of changes to constitutional conventions, it seems likely that Cabinet decisions on which applicants would be granted access to accelerated processes would be made under rules of Cabinet confidentiality. If so, then applicants excluded from those accelerated processes would have every incentive to publicly denounce the Cabinet decisions as being suspect or corrupt, thus undermining public confidence in the entire system.

Instead, we recommend that:

- 1) The federal government should clearly identify what elements of its own environmental assessment practices are "complicated and time-consuming" and suffer from "duplication, poor coordination between government departments" and explain to Canadians how it intends to remedy those shortcomings for all Canadians, and not just for a privileged few.**
- 2) The federal government should set aside any changes to its environmental assessment processes that violate the core democratic principle of equal treatment of all Canadians under the law. Any changes to processes that are available to some applicants must be available to all applicants, unless different processes for some can be articulably, demonstrably, and transparently justified, against public, objective, and defensible criteria.**

Addressing the Real Obstacles to Major Projects

More broadly, the discussion paper merely *asserts* that the federal environmental assessment processes are responsible for making the building of major projects "slow, expensive, and confusing". Yet, the paper *adduces no evidence* to substantiate this assumption.



In reality, this assertion is directly contradicted by business surveys, analyses, and reports commissioned or cited by the federal government itself.

For example, the federal government funded the Brookfield Institute for Innovation and Entrepreneurship to create the 2026 report “Project Insights Report: Laying Foundations: Technological maturity in Canada’s construction sector”. It found that low levels of automation and “technical maturity” are the key impediments to “challenges such as housing affordability, infrastructure build-out...” rather than the federal approvals processes.

Similarly, the House of Commons Standing Committee on International Trade relied heavily on the Canadian Manufacturers and Exporters 2023 report “Manufacturing Canada’s Future”, which found that “Labour and skills shortages are the most pressing challenges facing manufacturers today”, not environmental protection standards.

Finally, the McKinsey and Company 2023 report “Investing in Canada’s future: How to get capital spending right” identified the key issue holding back major projects to be not environmental protection measures, but instead, that “The Canadian capital ecosystem—which includes policy makers, financiers, project owners, engineering and construction firms (E&Cs), and suppliers—isn’t well positioned to deliver the capital to meet structural challenges.”

If the federal government wishes to advance major projects in Canada, it should focus on the areas that industry, labour, and government have all identified as the true impediments to such projects.

- 3) The federal government should focus its efforts to accelerate the speed of building, and the scale of ambition, of major projects, on:**
 - a. providing risk mitigation strategies, accelerated depreciation, and opportunities for private firms to pool technology acquisition and implementation, to encourage those firms to invest in solutions in construction and infrastructure;**
 - b. working with the provinces and territories, to further increase apprenticeship opportunities in the skilled trades, and to incentivise young Canadians to avail themselves of those opportunities;**
 - c. expanding the range of priority areas of the Canada Infrastructure Bank, and its ability to mobilise private funds from international capital markets for both privately-built and publicly-built major projects.**

Creating Predictability and Preserving Social Licence

The discussion paper correctly identifies the imperative to “give investors more confidence in the project decision process”, as critical to persuading investors to proceed with major projects.

There are significant, ineluctable market uncertainties with any major project – especially difficulties in predicting long-term costs, revenues, competition, and demand – across the sometimes-decades-long lifespans of such projects.



The federal government's own experiences to date with the *Building Canada Act* provides a cautionary tale for why this discussion paper's proposals would *increase* the kinds of uncertainties that could tip the scales against major projects, instead of accelerating them.

The *Building Canada Act* received Royal Assent more than a year ago, and in that time, not a single Project of National Interest has been approved or officially listed. As the CD Howe Institute pointed out in its 2026 paper "The Building Canada Act Won't Actually Build Anything in Canada", part of this is attributable to the "new uncertainties" created when proposals are decided by ministerial discretion and not judged dispassionately against objective criteria.

"First, cabinet, ministers, and – in reality – the Prime Minister's Office, are granted virtually unconstrained discretion to control both the decision on ultimate approvals along with the process to which national interest projects should be subject. This includes the removal or amendment of current legislation or other rules that apply to national interest projects.

"With this control, Ottawa can determine the outcome of the hearing prior to the consideration of evidence, and regulators will in essence go through the motions of conducting a review to produce a record that supports the government's political determinations."

In our consultations with them, Canadian and European private business leaders expressed serious misgivings about the reputational harm they might suffer – and potential social hostility and interminable litigation from local communities and First Nations – if their projects were to obtain approval not by passing through the same rigorous environmental standards that apply to everyone else, but instead, from the apparent gift of political actors. It is these misgivings that have discouraged Canadian companies from proceeding with major projects through the federal government's abbreviated pathways.

We recommend that:

- 4) **The federal government should reduce uncertainty for major projects – and minimise the risk of squandering community support and engendering community litigation – by ensuring that processes that assess proposals' compliance with environmental standards are implemented by objective, dispassionate, apolitical, and non-partisan mechanisms. The process must be implemented by the rule of law, not by the personal discretion of Ministers or other individuals.**

Free, Prior, and Informed Indigenous Consent

The discussion paper repeatedly acknowledges that the federal government has a duty of "meaningful consultation with Indigenous Peoples" before it approves major projects that impinge on Indigenous rights. Clearly, the federal government is alert to the critical importance of Indigenous support for decisions on major projects. Without that support, even the strongest proposal would risk becoming permanently mired in litigation and social confrontation.

The paper is, however, less forthcoming on the federal government's stronger legal obligation to ensure that any project that may significantly impact Indigenous rights and ways of life shall not be carried out without



free, prior, and informed consent. This legal obligation is reflected in Canada's *United Nations Declaration on the Rights of Indigenous Peoples Act*; it is also enshrined in the *United Nations Declaration on the Rights of Indigenous Peoples* itself, which Canada has ratified without qualification.

Most potently of all, these legal obligations are fundamental elements of Canada's constitutional settlement, under Section 35 of the *Constitution Act 1982*. The federal government has no power – even through primary legislation – to dilute or vitiate that obligation, absent a constitutional amendment.

Proponents of major projects in Canada are keenly aware of these facts. No rational economic actor would seriously contemplate proceeding with a major project without an environmental review process that can plausibly hope to earn the support of Indigenous Peoples in Canada.

Indeed, the fear that an accelerated federal review process might fall short of responsibilities to Indigenous Peoples is now the single greatest impediment to major projects in our country.

The "KPMG 2025 Federal Budget Survey" of 501 business leaders found that 93% of those leaders felt that the federal government must move "urgently" on nation-building projects. However, those same business leaders warned that federal plans to accelerate project approvals "risks oversimplifying the realities of major project development".

Some 84% further expressed "worry that infrastructure projects will face significant delays and setbacks due to legal challenges stemming from insufficient consultation with Indigenous groups."

Recent developments have demonstrated that those worries are well-founded.

This month, the Assembly of First Nations voted *unanimously* to reject any and all federal proposals to accelerate major projects that would undermine their rights or environmental protections.

In the words of Chief Veronica Smith of the Chippewas of Nawash Unceded First Nation, the discussion paper proposals, "have raised concerns among First Nations across Canada that efforts to expedite project approvals may undermine the meaningful implementation of free, prior, and informed consent, treaty relationships, environmental stewardship responsibilities, and nation-to-nation decision-making."

- 5) Any revisions to federal environmental assessment processes must be consistent with the government's constitutional, international, and legislative obligations to seek free, prior, and informed consent from Indigenous Peoples for any project impinging on Indigenous rights. To reassure investors and encourage major projects, the federal government should seek the endorsement of First Nations, Inuit, and Métis governments to any new assessment processes or pathways.**

Early and Concurrent Assessments

We strongly support the discussion paper's proposal that federal environmental impact assessments and permit reviews occur concurrently rather than consecutively. We believe this would be an effective way to reduce the total time required for the reviews, without lowering environmental standards.



We would add that the practice of beginning reviews only when planning for major projects is nearing completion is counter-productive, inefficient, and provokes needless strife.

If project proponents must first conceptualise, develop, and finalise their plans, before then presenting those plans to federal regulators, then there is a significant risk that those proponents may discover too late that their plans must be substantially recast or abandoned. Proponents will have squandered time, money, and opportunities. In our conversations with federal permitting authorities, they indicated that they are ready to work with project proponents to support them in the early stages of project design, to avoid these situations.

This would also address current challenges, where proponents and regulators are forced into confrontations at late-stage assessments, with proponents trying to protect their sunk costs and regulators trying to protect public standards.

- 6) Federal environmental impact assessments and permit reviews should occur concurrently, and not consecutively. They should begin during the early stages of conceptualisation of major projects, at a time when regulators can provide project proponents with advice about crafting proposals that could be adjusted to meet environmental standards. This would also enable regulators to apply early screens to the proposals, to ascertain whether those proposals involve inherently unacceptable risks.**

One-Year Maximum for Federal Decisions

We see the value in establishing quantified service standards for federal environmental review processes.

Published standards for the maximum time regulators may take to render decisions would increase discipline within those regulators, by enabling them to measure when they are falling short of their benchmarks, and would encourage them to reallocate internal resources accordingly. Such standards would also offer project proponents greater predictability as they make their plans, and would reassure proponents that they would not have to endure indefinite delays.

However, we caution the federal government against legislating a one-year maximum review period.

There is no limit to how large or how complex a major project proposal could be. Moreover, it is precisely those proposals with the most complex environmental risks that would take the longest time to assess.

The staff of the Minister of Environment, Climate Change, and Nature stated that they do not know what the consequences would be, if federal regulators found it impossible to render a decision within a legislated one-year maximum time. In particular, they could not rule out the possibility that it would give rise to a legal claim by project proponents that the project would have to receive automatic approval after a year, irrespective of the levels of harm that the project could then cause.

We also note that multiple First Nations governments have stated that they would consider a legislated one-year maximum consideration period to be a tool to coerce their nations into abbreviated or perfunctory



consultations. According to Grand Chief Brian Hardlotte of the Prince Albert Tribal Council, “A one-year timeline must not apply where First Nations require more time to assess impacts or negotiate accommodation.”

We recommend that:

- 7) At the outset of every environmental review, federal regulators should be required to give major project proponents an estimated maximum time for a decision. However, that maximum should not be construed as guarantee, and should not give rise to an automatic right to approval, if regulators have reasonable, unforeseeable, or good faith grounds to require more time to come to sound decisions.**

Crown Consultation Hub within the Impact Assessment Agency of Canada

We were surprised that the federal government reports that Indigenous Peoples believe that the existing environmental review processes are sources of “consultation fatigue” for them. In our experience, Indigenous communities are more apt to express concerns that consultations are perfunctory or performative.

In principle, there could be significant value in creating a new Crown Consultation Hub, to coordinate dialogue between Indigenous groups and federal bodies, and to organise a single, comprehensive consultation on each major project proposal for affected Indigenous groups. In addition to reducing duplication, it could also create opportunities for a meeting of minds and the fostering of mutual understanding between proponents, regulators, and Indigenous Peoples.

However, we must note that the courts have repeatedly found federal and provincial governments culpable of holding insincere project consultations with Indigenous Peoples, *after* the governments had made their decisions, when it was logically impossible for those consultations to have any effect on the decisions: *Haida Nation vs British Columbia (Minister of Forests)* 2004; *Gitxaala Nation vs Canada (Attorney General)* 2016; *Tsleil-Waututh Nation vs Canada (Attorney General)* 2018.

In this context, federal regulators will have to earn the confidence of Indigenous Peoples, that the Crown Consultation Hub would exist to improve consultations, and not to make it easier for regulators to subvert the consultative process.

We recommend that:

- 8) If the federal government creates a Crown Consultation Hub within the Impact Assessment Agency of Canada, that Hub must be subject to independent, third-party monitoring and auditing, to ensure that its consultations with Indigenous groups are legitimate and not feigned, and that the consultations meet the legal requirements of Canada’s constitution, international commitments, domestic laws, and treaties with Indigenous Peoples. In the first instance, the Hub should operate under implied licence from Indigenous groups, who should retain the right to opt out of it, if their experience of the Hub suggests that it is not fulfilling a duty to seek and build their prior, free, and informed consent for major projects.**



One Project Decision

The discussion paper proposes a new one-project decision model, which would affect “certain projects listed under the *Physical Activities Regulations* of the IAA.” However, the paper offers no indication what those “certain projects” might be, or the criteria or qualities by which they would be selected.

Moreover, the paper refers to this approach giving rise to decisions that would “balance environmental, economic, and other important considerations”; it later discusses diluting project requirements to make them “economically feasible”. This clearly implies a new approach where environmental integrity for the public could be traded away for wealth for the project proponents.

We recommend that:

- 9) If the federal government adopts a one-project decision model, it should publish clear criteria to explain what kinds of proposed major projects this would apply to, under what conditions. Any attempt to “balance” public environmental responsibility and private wealth generation should be circumscribed by a clearly-defined set of red lines (eg, unacceptable risks or harms, minimum and non-negotiable environmental standards, projects that inherently exacerbate harms to nature or climate change).**

Single Project Authority

The proposal to “assign responsibility for certain projects to the federal organization with the most expertise” fails to take account of the fact that different federal entities do not just have different levels of expertise; they also have their expertise in entirely different areas. Moreover, different federal entities are subject to the defined requirements of different pieces of legislation.

For example, the *Canadian Energy Regulator Act* compels the CER to assess how a proposed oil pipeline would affect the protection of property and the environment. The *Building Canada Act* is concerned only with the safety and security of regulated facilities. If a pipeline proposal were assessed exclusively by the CER, which legislated considerations would apply?

We recommend that:

- 10) If the Canadian Energy Regulator (CER) becomes a designated single project authority for some projects, the standards and criteria used by the CER should be no lower than those defined by the Impact Assessment Act (IAA).**

Federal Economic Zones

Giving the federal government the power to designate areas of Canada as “Federal Economic Zones” where “certain developments” would be “pre-approved” is alarming.



In effect, it could create zones of environmental lawlessness, where Canada's legally-established environmental standards would not apply. The discussion paper offers no reassurance that there would be limits on the possible size of such zones; it would, therefore, be possible for a future government to declare the entire country to be a Federal Economic Zone, and at a stroke, extinguish environmental responsibility everywhere.

Major projects that obtained a permit to operate in a Federal Economic Zone would be vulnerable to litigation and public protests, because the project would not have had to meet the environmental standards that Canadians expect as our right across our country.

The staff of the Minister of Environment, Climate Change, and Nature have also indicated that there are no plans for a domestic interest test in these zones. As a result, foreign corporations could obtain a licence to operate in such zones, where conventional environmental standards do not apply, to generate wealth that they could repatriate to their home countries, while leaving Canadians with the cost of remedying, managing, or enduring the ecological damage they leave behind.

Instead, we recommend that:

- 11) It would be unacceptable in a free and democratic society for citizens in some areas of the country to have diminished rights to environmental protection, compared to citizens in the rest of the country; it would create second-class zones in Canada, and reduce the population in and around those zones to the status of second-class citizens. It would also be democratically reckless for the size, scope, and activities of these zones to be decided through ministerial discretion rather than through parliamentary debate.**

As an alternative to the proposed Federal Economic Zones, the federal government could instead make use of regional assessments or area-based planning under the existing *Impact Assessment Act*, rather than in parallel to it.

Such regional assessments would need to be carried out *before* the federal government solicits or accepts project proposals for those areas. Otherwise, there is a risk that the assessments would be tailored for the purpose of leading to a project approval.

Regional assessments could identify cumulative effects and identify where ecosystems are at risk of multiple stressors that could lead to collapse or extirpation of species.

An area with a favourable regional assessment could then be opened for major project proposals under accelerated assessments, if those proposals are in harmony with the findings of the assessments.

We recommend that:

- 12) The federal government should identify and map areas it believes could host major projects, and carry out regional assessments before accepting proposals for those areas. The regional assessments would not seek to waive or suspend environmental standards, but instead, to identify the kinds of activities (and the parameters of activities) that could reasonably unfold in those areas without unacceptable loss to nature. Critically, the regional assessments**



would have to consider cumulative effects, especially if there were an expectation that the areas might host multiple projects. The regional assessments would be published, so proponents could self-assess whether the areas could plausibly host their projects, before making an initial approach to regulators, and before developing full project plans.

Jeopardy Test and Environmental Conditions

The discussion paper proposes that individual Ministers gain powers “to exempt specific projects from the application of the jeopardy test for species at risk” and “to adjust [ie, lower] environmental conditions for projects of national interest”.

It would not be too much to say that this has shocked the conscience of Canadians.

The mere suggestion that the federal government might go down this path has been roundly condemned in the international and national press. The television segments and newspaper articles are frequently illustrated with photographs of endangered species, like Southern Resident Orcas, that are becoming the emotive faces of the politics of calculated extinction.

The May 2026 Ekos poll “Protecting Nature in an Era of Uncertainty” found that the vast majority of Canadians, some 82%, believe that “governments have a responsibility to take action to protect species that are in danger of going extinct”. Some 61% of Canadians go further still, agreeing that “Protecting species from extinction should be prioritized, even if it limits economic development.”

Canadians of all regions, ages, genders, and ethnicities are overwhelmingly opposed to any move to empower Ministers to condemn species at risk to be sacrificed for the sake of economic activities.

Such measures would mobilise national public opposition against the government. They would undermine social unity between Canadians in different parts of the country. They would cast a catastrophic pall over the government’s entire programme to accelerate major projects.

The proposed measures would also damage Canada’s international trade agreements with jurisdictions that prohibit parties from lowering environmental standards to attract investment or to give their national economic actors price advantages. The Canada-EU Comprehensive Economic and Trade Agreement specifically requires, in Chapter 24, that “A Party shall not waive or otherwise derogate from, or offer to waive or otherwise derogate from, its environmental law, to encourage trade or the establishment, acquisition, expansion or retention of an investment in its territory.”

We are aware that Ministers assure us that they would use these powers with care and restraint. But care and restraint would have no recourse to such powers at all. Worse still, the current government can offer Canadians no assurance that a future government would not wield these powers with reckless abandon.

13) The federal government must not give Ministers discretion to allow industrial projects to drive species to extinction, or to operate below established environmental standards.



Mitigation Hierarchy

There are better ways for the federal government to accelerate environmental assessments, without lowering environmental standards.

This would involve embedding environmental responsibility into the major projects system, treating nature as an economic force multiplier for these projects from the very start, rather than as an obstacle to be overcome by the projects at the very end.

Key to this approach would be to establish an environmental mitigation hierarchy, to be used across all government institutions, as a common framework for major projects.

A common mitigation hierarchy would bring policy coherence across government, and enable project proponents to see the path to project approval from the outset of their plans.

We recommend that:

14) The federal government should embrace a whole-of-government mitigation hierarchy for major projects.

- a. ***Establish ecological baselines*** – this would enable the government to articulate what constitutes unacceptable harms; they might include a hard requirement that proposals shall not harm key biodiversity areas (KBAs), UNESCO World Heritage Sites, areas of special Indigenous cultural importance, endangered species, defined fragile ecosystems.
- b. ***Avoid environmental harms*** – where possible, projects should not harm nature at all.
- c. ***Minimise unavoidable harms*** – where some dislocations are inevitable, the project should take steps to cause the least harm possible.
- d. ***Restore damaged ecosystems*** – after the project is built or spent, the project must take reasonable steps to remedy any environmental damage.
- e. ***Compensate*** – as a very last resort, environmental residual effects that could be neither avoided nor reversed should be counterbalanced by other measures that leave nature net better off.

Natural Capital Accounting

Nature, ecological systems, and other non-traded nature assets do not typically carry quantified economic values. As a result, they are denied a place in the price system's efficient allocation of resources, both in the economy and in government. This militates against nature being properly considered in public or private decision making.

We note that "A Force of Nature: Canada's Strategy to Protect Nature" made a commitment to launch an Expert Taskforce on Natural Capital Accounting and Nature Financing. The results of this task force should be integrated into the major projects assessment processes, to enable the federal government to make better-rounded and more rational decisions about projects that alter ecosystems.



We recommend that:

- 15) The federal government should use defensible natural capital accounting, consistently across federal institutions, to support decision making on major projects affecting natural ecosystems.**

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