

NATURAL RESOURCES CANADA BRIEFING NOTE

ADDRESSING TODAY'S REGULATORY BARRIERS TO INVESTMENT

ABOUT THE REPORT

Canada's regulatory environment is a barrier to business investment. This report takes a first step toward addressing that challenge by identifying the most significant, high-impact regulatory barriers that businesses and other organizations consistently cite as constraining investment, and sets out a practical path to address them.

THE SPECIFIC BARRIERS HOLDING INVESTMENT BACK

Many of the regulations businesses face are overly stringent, burdensome, unclear, and/or unpredictable. While some individual regulations can have a significant impact on investment decisions, it's their cumulative effect that matters most. Together, these requirements create a "death by 1,000 cuts," making investment riskier, more difficult, and more expensive.

Drawing on extensive research and engagement with businesses, this report identifies the most problematic regulations that can be addressed immediately. Targeted action in these areas would begin to shift Canada's regulatory system toward one that better supports economic competitiveness and growth.

Key themes in this report include:

- Regulations with overly stringent requirements and excessive compliance burdens
- Regulations that cause delays and limit productivity
- Regulatory processes that are slow and lack transparency
- Regulations that are inconsistently applied

This briefing note summarizes the key recommendations from *Addressing Today's Regulatory Barriers to Investment* that either directly fall within Natural Resources Canada's mandate or connect to aspects of that mandate. It does not represent a comprehensive list of all regulatory challenges impacting business investment today. However, addressing these priority areas would represent a significant step forward and pave the way for a more competitive, investment-friendly regulatory environment in Canada.

PRIORITY ACTIONS

Addressing these problems requires a fine-tuned approach to tackle specific irritants head-on. These actions are designed to be the most impactful by serving as the primary “needle-movers” acted on in the short-term.

ACTION	DETAILS
West Coast Oil Tanker Ban	<ul style="list-style-type: none">• Repeal the Oil Tanker Moratorium Act to allow oil exports from Canada’s northwest coast.
Oil and Gas Emissions Cap	<ul style="list-style-type: none">• Formally rescind the proposed oil and gas emissions cap regardless of the Canada-Alberta MOU.
Clean Electricity Regulations	<ul style="list-style-type: none">• Repeal the CER.
Methane Emissions Regulations	<ul style="list-style-type: none">• Prioritize provincial equivalency agreements for methane regulation.
Species at Risk Act	<ul style="list-style-type: none">• Facilitate longer construction periods by adopting a risk-based strategy to rank and prioritize environmental windows.
Greenwashing Provisions in the Competition Act	<ul style="list-style-type: none">• Refine the greenwashing provisions to protect businesses’ aspirational goals and future-oriented climate statements.• Issue guidance on “adequate and proper substantiation”, with tailored requirements on statement type and target audience• Ensure business are not subject to conflicting compliance obligations resulting from the TCFD.

WHAT SUCCESS LOOKS LIKE

- High-impact regulatory barriers are removed or actively reduced by the end of the year.
- Businesses report that they face less burdensome regulations, clearer rules, and greater certainty, encouraging more investment at the margin.
- Targeted regulatory reforms in the short-term demonstrate a shift toward a framework focussed on growth, competitiveness, and productivity, while protecting health, safety, and the environment.