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September 6, 2013

Canada-Newfoundland and Labrador Offshore Petroleum Board
5th Floor, TD Place
140 Water Street
St. John's, NL A1C 6H6

Re: Draft Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment (SEA) Update Report

As the tourism industry association of Newfoundland and Labrador, Hospitality Newfoundland and Labrador would like to submit its comments on the Draft Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment (SEA) Update Report.

As previously stated in our correspondence dated March 25, 2013, Hospitality NL has serious concerns and unanswered questions about proposed fracking projects along the boundaries of Gros Morne National Park. After reviewing the draft SEA report, our association has further concerns that the tourism industry in Newfoundland and Labrador, and in particular the Western Region, is not viewed as a primary stakeholder in the area and will not be viewed as such in the future proposals submitted to the C-NLOPB.

The potential environmental interactions and effects between oil and gas activities and the surrounding environment were identified in the report as well as the resulting decrease in the real or perceived integrity and value of such areas. However, we do not feel the true implications of such interactions on the tourism industry are accurately portrayed or fully understood. The surrounding environment encompasses one of the tourism industry's biggest demand generators, which is a significant contributor to our provincial economy. As one of three UNESCO World Heritage Sites situated along a pristine corridor beginning in Western Newfoundland and leading into Labrador, Gros Morne National Park is an essential asset to the tourism industry in our province with close to 25% of non-resident travelers visiting the Gros Morne Area each year.

Although referencing that the tourism industry is a key component of the NL economy, page 378 of the report inaccurately states that tourism generally occurs within a four month period in Western Newfoundland. Tourism across our province is growing with much emphasis and success being achieved through season extension projects outside the months of June to September. Many of these projects, such as the highly successful *Trails, Tales & Tunes* Festival and many winter tourism initiatives, have achieved great success as evidenced by continued growth in visitation and participation in all four seasons of the year. Furthermore, the services infrastructure of the tourism industry, namely accommodations and restaurants, are vital to the growth and development of other business sectors. Business travellers avail of these tourism services all year long, not just in the peak "tourist" season.

The perception of tourism as anything other than a vital component of the future development, growth and support of communities throughout NL is further evidence of a lack of understanding of the contribution and potential of our industry to the people and economy of Newfoundland



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and Labrador. A thorough understanding of tourism reveals that it is one of the most stable, revenue generating industries in Newfoundland and Labrador with steady growth in annual contributions to the provincial economy.

Hospitality NL recognizes the significant role that the oil and gas industry plays in the economy of Newfoundland and Labrador and that the C-NLOPB strives to operate in an environmentally responsible manner, identifying potential effects of oil and gas development upon the natural environment and upon other users of that environment. However, potential industrialization in the Gros Morne Region of Western Newfoundland, a region of such high tourism and travel value and investment gives us great concern regarding the negative consequences to the future of tourism and Newfoundland and Labrador as a whole. As such, Hospitality NL has asked both the federal and provincial governments to ensure the protection of Canada's rare and special places, such as Gros Morne National Park, as a legislated priority. We have also requested that the protection extend to the outer boundaries (i.e. a buffer zone) intended to protect such sites from negative influences, which could jeopardize their investment and potential.

The proposed projects in the Western Region have the potential to substantially change and irreversibly damage the landscape and natural assets on which Gros Morne National Park and our industry has gained world acclaim. It also has the potential to jeopardize Gros Morne's status as a UNESCO World Heritage site, as evidenced by the fact that UNESCO has placed Gros Morne on its watch list due to this proposed development.

Therefore, upon review of the report, we submit the following recommendations for your consideration and inclusion in the final version of the Western Newfoundland and Labrador Offshore Area Strategic Environmental Assessment (SEA) Update Report:

1. The establishment of an inter-provincial, integrated, comprehensive environmental assessment for the Gulf of St. Lawrence.
2. That the Province of NL places a hold on slick-water hydraulic fracturing in the province until:
 - a. A thorough public and science-based review of hydraulic fracturing (including an assessment of the environmental, social, health, economic, and policy issues and risks) is conducted; and
 - b. Based on this comprehensive assessment, appropriate regulations, policies, guidelines, and legislation are established and enacted.
3. That we continue our partnership with provincial and federal levels of government in order to avoid this project becoming a direct threat to tourism investment and potential in the Gros Morne National Park Region and its UNESCO World Heritage Status designation.



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4. That the C-NLOPB, the Government of Canada and the Government of Newfoundland and Labrador give special consideration to the Gros Morne Region by establishing an oil exploration/exploitation free zone (buffer/protected zone) around Gros Morne National Park.

Sincerely,



Darlene Thomas
Chair, Hospitality NL