

For Immediate Release — Friday, December 4, 2015

Researchers say resource sector can prosper by establishing social partnerships, engaging communities

Major resource projects are more likely to make it through the approval process and ultimately achieve economic success if industry first develops strong social partnerships with community stakeholders, says a new C.D. Howe Institute report authored by University of Lethbridge researchers Drs. Geoffrey Hale and Yale Belanger.

In the report titled, From 'Social Licence' to 'Social Partnership': Promoting Shared Interests for Resource and Infrastructure Development, Hale and Belanger identify best practices for successful community engagement by companies, industries and governments that have a proven track record of success.

"Social partnerships have become a key element for energy and related infrastructure development," says Hale. "Failure to secure social acceptance increases the risks of litigation of a project or political conflict that creates significant barriers to economically viable resource development."

The authors argue that achieving social acceptance for the development of major resource projects requires the establishment of a trusted relationship that involves multiple stakeholders in a mutually-beneficial framework.

"Public mistrust has fuelled opposition to major resource-related infrastructure projects, contributing to growing delays and more stringent regulatory conditions to secure project approval," says Belanger. "These developments have created significant political and economic risks to the expansion of the energy and other resource sectors."

Hale adds that, "Securing social acceptance largely depends on the degree to which companies and communities are able to achieve mutual trust contributing to 'win-win' outcomes that address overlapping but often-distinct priorities."

The authors provide examples of successful multi-stakeholder synergy groups, government-led initiatives and corridor coalitions of groups across extended areas. They recommend a virtual handbook of best practices for industry, regulators and community leaders in the following areas:

- Building Multi-Stakeholder Groups and Networks: Local or regional industry working groups including industry representatives provide a valuable means of strengthening connections with local governments and communities, public health authorities and local emergency response professionals. These groups reduce risks, address community concerns, and respond more effectively to occasional emergencies.
- Multi-Jurisdictional Projects: Multi-jurisdictional initiatives require parallel processes that respect legal, institutional and social differences in various jurisdictions. The authors find successful examples of formal multi-jurisdictional advisory processes in British Columbia that could inform future negotiations elsewhere.
- Engaging First Nations and Aboriginal Communities: Consultation prior to detailed project design or approval has become a central factor influencing First Nations' acceptance of resource projects affecting traditional lands.

Hale and Belanger conclude that achieving improved regulatory co-ordination and the cultivation of social acceptance are not either-or choices for restoring greater stability for resource development projects. Rather, they are complementary aspects of a larger process.

"Building and sustaining the legitimacy of resource development depends increasingly on the demonstration of ongoing commitment by industry and governments to the economic, social and environmental well-being of the communities in and through which they operate."

The C.D. Howe Institute is an independent not-for-profit research institute whose mission is to raise living standards by fostering economically sound public policies. Widely considered to be Canada's most influential think-tank, the Institute is a trusted source of essential policy intelligence, distinguished by research that is nonpartisan, evidence-based and subject to definitive expert review.

The full report is available here.

-- 30 --

Contact:

Trevor Kenney, News & Information Manager 403-329-2710 403-360-7639 (cell) trevor.kenney@uleth.ca

Dr. Geoffrey Hale, Department of Political Science 403-329-2572

geoffrey.hale@uleth.ca

Dr. Yale Belanger, Department of Political Science 403-382-7101 belayd@uleth.ca