

THE MYTH OF ATLANTICA

Sending our energy resources south

Atlantica is the proposed economic integration of the Maritime provinces, Newfoundland (but not Labrador), parts of Quebec, Maine, Vermont, New Hampshire and upstate New York. This integration of Eastern Canada and the North-Eastern United States would erase border restrictions and regulations, creating a massive transportation corridor to send Asian goods and energy resources to the United States. Atlantica is a part of the Security and Prosperity Partnership of North America (SPP) agenda, aimed at creating a “free market” between Canada, The United States and Mexico.

Energy exports from Atlantic Canada to the United States have grown rapidly in the last decade. The United States continues to look to Canada as a stable energy supplier as other parts of the world become more difficult for the U.S. to count on.

A North American energy market

Deep integration discussions between Canada and the United States make frequent reference to a “North American energy market” or “North American energy security.” The SPP identifies energy security as a priority. In the context of Atlantica, it means Canada sending oil and gas reserves to American companies, regardless of our own energy needs.

The Atlantica proposal includes the creation of an energy corridor for the quick export of unrefined oil and gas to the United States, leaving Atlantic Canadians to face the social, economic and environmental concerns without the financial benefits. While there is a proposal for an oil refinery in St. John, New Brunswick, there is no timeline for its creation. In the meantime, Atlantic Canadians will also lose out on job creation, as raw, unprocessed resources are sent to the United States where they will be refined by U.S. workers. The products will then be sold back to Canadian consumers.

Exports rising quickly

According to the Canadian Centre for Policy Alternatives (CCPA), energy exports from the Atlantic region to the U.S. jumped dramatically between 1995 and 2005. Exports increased from approximately \$1.7 billion to \$9.4 billion, or from 24 per cent to 54 per cent. But there is growing public awareness that

these resources will not last forever. Local economists have estimated that current annual oil production is peaking and expected to decline steadily.

Although oil projects have made a lot of money for big U.S. companies, there have been limited local benefits. While the government of Newfoundland and Labrador has been trying to negotiate a better deal for the province on future offshore oil developments, U.S. oil companies have been reaping significant profits from offshore Atlantic oil fields. Atlantic Canadians have not found federal support in their fight. The Harper government has refused to support the province’s push for higher royalties.

Maritimes without energy security

The Maritimes and Northeast Pipeline sends natural gas from the Sable reserves off the coast of Nova Scotia to the north-eastern United States. Built in 1999, the 1,000-km pipeline has the capacity of 600 million cubic feet of natural gas per day. Plans are in the works for another gasfield – the Deep Panuke project – which will tap estimated reserves of 1 trillion cubic feet of natural gas off the Nova Scotia shore. But even while the bulk of natural gas from Nova Scotia going to the Boston-New England market, there are many parts of the Maritimes that have no access to natural gas.

Atlantic Canada and Quebec continue to rely on imports to supply approximately 90 per cent of the petroleum they consume. In the event of a natural disaster like a hurricane on the east coast, experts warn that Atlantic Canada would be in an energy crisis because Canada has no west-east pipelines. The provinces couldn’t even access their own reserves because there is no way to distribute the resources within the region – the only pipelines that exist carry the resources to the United States.

Say no to Atlantica

The big business agenda of Atlantica will have a negative impact on Atlantic Canadians by reducing local energy security, and is proceeding without public input. You can make a difference by writing to your local MP or community newspaper and telling them why you oppose this proposal.

To find out what you can do to challenge Atlantica and the SPP, visit www.canadians.org or call 1-800-387-7177.