

Take Charge!

A National Day of Action in support of a Canadian Energy Strategy

Where does Canada's oil come from?

Canadians need a national energy strategy – one that puts citizens' interests ahead of multi-billion-dollar oil companies. Right now, our country does not have a national energy strategy that addresses where our energy comes from, where it is going, or the high price of environmental devastation that comes with producing it.

For nearly 20 years, Canada has lived with free trade agreements and free-market rules that are used to ensure that our energy resources keep flowing out of the country with little or no direction from government. As one of the coldest countries on earth, Canada's energy security is decided by the whims of the United States, the markets and the big oil companies.

Importing oil from where?

Most Canadians are under the impression that we do not need to worry about our energy security. We see ourselves as a country rich in oil, and we assume that our own resources are available to us for consumption. That assumption is incorrect. Canadians do need to ask where their oil comes from because it doesn't necessarily come from Canada!

Canada imports more than half of the crude oil it needs. We purchase around 55 per cent of our oil from countries such as Algeria, Saudi Arabia and Venezuela. We are also turning increasingly toward new sources including Russian and African producers. Canadians should question whether we can count on those suppliers for a steady supply of oil.

Where are Canadian resources and where do they go?

Not surprisingly, the biggest Canadian producer is the province of Alberta, which accounts for two-thirds of Canada's production. Saskatchewan is next at roughly 18 per cent, and Newfoundland produces 13 per cent with its off-shore resources. Manitoba, Ontario, British Columbia and the Northwest Territories round out Canadian output with a combined share representing 2.8 per cent of production. However, around 66 per cent of Canada's oil production is not destined for Canadians. It goes almost exclusively to the United States in the form of exports.

What if there is a shortage or crisis?

Can Canada replace the oil it imports with resources from its own territory if our suppliers become unreliable, or if an oil crisis becomes a reality? The answer is a resounding NO! Under NAFTA, we must keep sending the same proportion of our oil to the United States no matter what happens on the world stage. Article 605 of NAFTA only allows us to reduce exports to the U.S. if we cut our domestic supplies by the same proportion. Furthermore, we can't charge the U.S. a higher price than the one in Canada and we can't disrupt or restrict the normal channels of supply. What are those normal channels? A huge network of 16,000 km of pipelines sends Canadian oil south, mainly to the American mid-west. At the moment, no pipeline takes Alberta's oil to eastern Canada.

Without a Canadian Energy Strategy – a strategy that will give Canadians security of their energy supplies, guaranteed access to energy reserves in times of need, and strong policies that protect our environment and focus on finding alternative, less harmful energy solutions – our country will continue to be a victim of an energy gold rush. Politicians cannot let corporations and the market set the agenda, focusing on big business needs, and privatizing public services, while ignoring the energy security needs of Canadians.

Take action!

Contact Prime Minister Stephen Harper and demand a National Energy Strategy that puts people and the environment ahead of corporate interests.

Office of the Prime Minister
80 Wellington Street
Ottawa
K1A 0A2

E-mail: pm@pm.gc.ca
Fax: 613-941-6900

For more information about the Council of Canadians' energy campaign, visit www.canadians.org or call us at 1-800-387-7177.