



September 11, 2009

Open letter to Eastern Canadian premiers,

We are writing to Eastern Canadian Premiers on behalf of the Council of Canadians regarding the Annual Conference of New England Governors and Eastern Canadian Premiers focused on energy, the economy and the environment. The Council of Canadians is one of Canada's largest public advocacy organizations, with members and chapters across the country. We work to protect Canadian independence by promoting progressive policies on fair trade, clean water, energy security, public health care, and other issues of social and economic concern to Canadians.

Eastern Canada, like many areas across the country, is being affected by what has been called the worst economic crisis to hit in decades. Given the disturbing scientific reality of climate change and the need to reduce greenhouse gas emissions, there is an urgent need for Canada and the world to act. The upcoming conference touches on key areas of needed reform in addressing these crises including a regional response to climate change, energy trade and the regional economy.

We urge Eastern Canadian Premiers to use the opportunity of this conference to work with New England Governors to establish a regional commitment to reduce emissions by at least 25 per cent below 1990 levels by 2020. Committing to science-based emission reduction targets is a fundamental first step to any meaningful response to climate change. Agreeing to adopt a bold, strengthened second phase of the Kyoto Protocol is the focus of the upcoming United Nations Framework Convention on Climate Change this December in Copenhagen, Denmark. It is important for Canada to play a productive role at these important negotiations and the federal government needs to be called to account, including by provincial governments, to commit to a national target, reducing emissions by at least 25 per cent.

We can certainly appreciate that regional communication and working together is important, however we want to raise a few cautionary points regarding integration. Concerning energy trade, we caution against further commitments to a regional energy vision that prioritizes large energy projects and energy corridors directed at export-oriented trade. Conventional energy projects such as oil refineries, nuclear power, liquefied natural gas terminals and mega-power plants directed at U.S. export markets come at a high social and environmental cost to local communities. The North American Free Trade Agreement (NAFTA) gives significant rights to foreign investors and limits the ability of Canadian governments to intervene in energy trade, except in extraordinary circumstances. NAFTA's proportional sharing obliges Canada to continue exporting energy to the U.S. in the same proportion of total supply sold over the three previous years. Already, much of the oil and gas as well as the electricity produced in the Atlantic region are destined for export to the U.S. while Eastern Canadians rely significantly on imports to meet their energy needs. Further private energy developments and potential exports

undermine your government's capacity to act in the public interest in ensuring energy and ecological security.

Instead, collaboration achieving widespread, significant reductions in energy demand by increasing energy conservation and efficiency (included in the conference's agenda) is encouraged. Collaboration amongst Eastern Canadian Premiers realizing greater inter-provincial electricity trade can replace the need for new power projects and increase power supply security. The rapid expansion of public and community-based renewable power projects will contribute to local economic development and can help meet local and provincial needs, improving the energy security of your communities.

Recognizing the benefits of fostering sustainable jobs and economic development in communities by re-localizing economies as opposed to greater integration of economies based on market priorities, will provide the needed foundation to address the economic crisis. Public procurement is an important tool for local economic development, environmental protection and job creation. It provides opportunities for local and provincial governments to support local or Canadian suppliers, set minimum local content rules, adopt ethical and environmental purchasing policies, enforce commitments to hire workers locally, or require companies winning public contracts to reinvest a portion of revenues or profits in Canadian communities. The Government of Canada has announced its desire to expand NAFTA to restrict provincial and municipal procurement in response to "Buy American" policies. Rather than attack these successful and popular "Buy American" policies to which New England governors can speak to, Canadian governments should increase and speed up funding for public infrastructure projects and attach "Buy Canadian" conditions to this funding. We feel it would be in the interests of Eastern Canadian Premiers to contest any federal proposal that would unfairly and unreasonably restrict rights to put economically or socially beneficial conditions on how public tax dollars are spent.

Faced with the urgency to address the climate and economic crises, comes the opportunity to focus on alternative visions for our economic future. This requires governments to turn away from "business as usual" policies on energy, environmental protection and job creation and work together on innovative projects in consultation with local communities – not just business groups. Building this alternative vision is the focus of the upcoming Council of Canadians Annual General Meeting, *'Turning the Tide: A just economy for people and the planet'* in Saint John New Brunswick, October 23-24, 2009.

Sincerely,



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