

Take Charge!

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

Five reasons why Canada needs a National Energy Strategy now

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.

Even though our country is rich with energy resources, Canadians do not have control over them. Governments have signed this control away through multilateral agreements such as NAFTA and the Security and Prosperity Partnership of North America (SPP).

Canada has been without a national energy strategy for more than 20 years. Since the early 1980s, our political leaders have not even considered policies such as export limits, strategic reserves and restriction of foreign ownership. Former Prime Minister Brian Mulroney declared Canada "open for business" in 1984 when he signed the Western Accord with the three western-most provinces. Since then, Canada has functioned with a "free market" approach for the oil and gas industry. This "free market" is dominated by a small number of very large transnational corporations, working together with strong support from provincial and federal governments.

Even the United States, a net importer, has a national energy policy. Mexico also has a national energy policy. The two countries Canada is most closely tied to through NAFTA and the SPP have protected their energy interests. So why hasn't Canada?

Here are five reasons Canada needs a National Energy Strategy:

1. To give Canadians security of supply:

Canada now produces about 40 per cent more oil than it consumes, but has to rely heavily on imported oil from offshore. Thanks to NAFTA, Canada now exports 70 per cent of the oil and 61 per cent of the natural gas we produce each year to the United States. NAFTA prevents us from selling our energy resources at rates lower than we sell them in the U.S. We also can't ever cut back on the proportion of energy we produce and sell to the United States, even in times when our country runs short.

Our country also has no way to get oil and gas from west to east because we have no cross-country pipelines. Experts have warned that in the event of a natural disaster like a hurricane on the east coast, Atlantic Canada would be in an energy crisis because Canada has no west-to-east pipelines. Instead, multi-billion dollar pipeline projects are being built or proposed in Canada to send energy resources to the U.S.

2. To protect our environment:

Canada's oil and gas industry – in the tar sands in particular – will prevent Canada from meeting its obligations under the Kyoto Protocol on climate change. In December 2007, the Harper government was singled out for obstructing negotiations at a large international conference in Bali aimed at reducing harmful carbon emissions.

Some of the other now well-known effects of oil and gas production include: the devastation to the boreal forest and the vast amounts of water required for the mining process.



Approximately five barrels of water are needed to produce one barrel of crude oil. The remaining water is poisoned to the point that it can no longer be used, leaving the water to sit in vast, toxic pools. There are already devastating environmental impacts to our shores and sea by offshore development, including the destruction of natural habitats for massive pipeline and transmission line projects.

3. To help our economy:

There is no doubt that energy production is a major contributor to the Canadian economy. But can it be doing more? A group of tax specialists recently looked at the level of taxation of oil and gas companies in Canada to determine whether these companies pay a "fair share" of taxes in the country relative to their profits. The conclusion was the oil and gas industry in Canada has lower taxation levels than all other major industries in Canada. The report exposes how the industry is raking in record profits, while still receiving tax breaks and subsidies from the federal government.

4. To protect our health and future:

The Alberta tar sands project, which already accounts for 75 per cent of crude oil exports to the U.S., has become Canada's largest emitter of carbon dioxide. Tar sands development destroys enormous tracts of land, clears forests, and consumes 26 per cent of Alberta's groundwater. Local physicians have sounded the alarm about unusually high rates of cancer in communities close to the tar sands.

The rapidly expanding uranium mining industry has also raised serious health concerns. Radioactive waste from the mining process is a proven cause of cancer in miners, and studies have shown there is no safe containment for the waste, raising land and water contamination concerns.

5. To put people in control, not corporations

Thanks to our historical "free market" approach to energy, Canadians do not have control over our country's energy resources. The current Harper government continues to let oil and gas companies set the agenda. And as shown by a recently launched NAFTA lawsuit by Exxon-Mobil and Murphy Oil, big oil companies will use trade agreements to resist even moderate government demands for reinvestment. The companies are suing the government of Newfoundland and Labrador for requiring them to spend some of their soaring profits on local research

and job development. As with all NAFTA disputes, the outcome will be determined by a secret panel of trade experts behind closed doors.

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.

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

