

Oil sands contribution to Canadian greenhouse gas emissions less than asserted: Report

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OTTAWA — Alberta's oil sands should not be singled out as the source of Canada's poor record on greenhouse gas emissions. This is one conclusion of a new Conference Board publication, *Getting the Balance Right: The Oil Sands, Exporting and Sustainability*. The report gathers all the pertinent facts related to the oil sands and its environmental impacts, assesses those facts and draws on dialogue with industry leaders, environmental analysts and other stakeholders.

The report recommends that a comprehensive climate change plan must strike a balance between energy producers and consumers. Oil sands producers must continue to develop new technologies and processes that reduce emissions during extraction. Meanwhile, efforts need to be made to reduce long-term global demand for oil products — and vehicles are an important part of that consumption.

Oil sands production is responsible for about five per cent of Canada's greenhouse gas emissions. This share will inevitably grow, even as emissions per barrel are reduced, since oil sands production is expected to double over the coming decade to meet North American demand.

"The perceived Achilles heel of the oil sands is its higher levels of greenhouse gas emissions. But on a wells-to-wheels basis, oil sands are not significantly dirtier than oil from many other global sources. Furthermore, Canada and the United States will continue to rely on oil products for the foreseeable future, and the oil sands offer advantages as a preferred supplier for North America," said Len Coad, Director, Environment, Energy and Transportation Policy, and co-author of the report with Glen Hodgson, Senior Vice President and Chief Economist.

"That being said, sustainable development of the oil sands requires a more measured pace of growth than we have seen in recent years, which would ease the labour, material and environmental pressures."

Stemming consumers' long-term energy demand also needs to be part of a climate change plan. In comparison to oil sands emissions of five per cent, road transportation — primarily due to consumer demand for light-duty trucks, including SUVs — accounted for approximately 18 per cent of total Canadian GHG emissions in 2007.

"In the interest of even-handed treatment across economic sectors and long-term competitiveness for both Canada and the United States, improvements are needed in every step of the energy value chain, and reducing emissions from vehicles must be a part of any climate change plan," said Coad.

The report was published for the Conference Board's International Trade and Investment Centre. The centre is intended to help Canadian leaders better understand what global economic dynamics — such as global and regional supply chains, domestic barriers to trade, US policies, or tighter border security — could mean for public policies and business strategies.

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