Calgary Herald

'Super' status eludes Canada

Wednesday, October 31, 2007 Page: D1 / FRONT Section: Calgary Business Byline: Deborah Yedlin Column: Deborah Yedlin Source: Calgary Herald Illustrations: Photo: Ashley Fraser, CanWest News Service / Gary Lunn, Minister of Natural Resources, participated in the panel on the Business of Climate Change in Ottawa Tuesday morning .

It's rare for Canadians to tout themselves as being 'super' at anything on the world stage, so when Prime Minister Stephen Harper called Canada an energy superpower in speeches to audiences in London, New York and Toronto, it got a few people out West thinking about this august label.

The moniker proved to be a catalyst for a paper written by Annette Hester for the Canadian Defence and Foreign Affairs Institute and a conference that was held Monday in Ottawa to debate the topic.

It didn't take long, however, for speakers and delegates to reach the same conclusion: Canada might be rich in energy resources but that does not equate to being an energy superpower.

Cast in the global context, the notion of superpower suggests a number of qualities that are decidedly un-Canadian.

We are not inclined to 'punch above our weight,' nor are we in a position to use our resource wealth for influence in the world order by moving to control access. Unlike other countries, such as Russia, which don't think twice about cutting off natural gas supplies in order to make a point, Canada would never contemplate turning off the taps to any of its customers for similar purposes.

Nor are we price makers; Canada may have the world's second largest oil reserves thanks to the oilsands, but it will never result in production levels capable of influencing world prices.

The picture is even more depressing when it comes to natural gas; on the world scale, our reserves rank 19th and are a fraction of what Russia has lying below the surface.

Being an energy player with influence goes beyond the measurement of oil and natural gas reserves and production.

We have the second-largest uranium reserves in the world and are No. 1 in production; most of the uranium France needs to fuel its nuclear facilities comes from Canada.

Our coal reserves are rich beyond measure yet we have not moved ahead -- indeed committed the necessary billions of dollars toward research and development to make coal a clean fuel.

There are the interprovincial trade barriers to consider, which prevent the establishment of a

national electricity infrastructure.

That infrastructure would facilitate the transmission of power from places that can cheaply generate surplus power and sell it to other parts of the country where capacity is constrained.

Heck, we can't even get our act together to build the MacKenzie Valley Pipeline.

Also lacking is a coherent environmental policy and this week there was yet another illustration of this.

While the Harper government has yet to outline its plan for addressing Canada's greenhouse gas emissions, British Columbia Premier Gordon Campbell was off in Lisbon, Portugal, pursuing his own environmental agenda.

Campbell signed on with an international group looking to establish a broad market for trading carbon emissions.

Added to the argument was the vulnerability of Canada's Arctic, its energy potential and the potential for conflict with Russia and the U.S. because global warming is compromising land access while opening up maritime pathways.

It was more than interesting then, with all these arguments well-established, that Natural Resources Minister Gary Lunn came in to give the closing address to delegates.

Perhaps he had been enlightened as to the direction of the day's discussion because he went on to call Canada an "emerging energy superpower," ticking off the same laundry list of attributes enumerated by Harper while also highlighting the need to be environmentally responsible in the development of the resources.

He spoke of the importance of Canada's energy sector to the economic well-being of the rest of the country from the standpoint of comprising seven per cent of gross domestic product and its annual \$100 billion contribution to the economy.

And in what could have been a thinly veiled barb at the energy sector and its industry association -because of the apparent lack of understanding shown through the recent debate over the changing royalty structure -- Minister Lunn emphasized it was really important that all Canadians be aware of the economic contribution. "The sector allows the Canadian economy to be remain strong and every Canadian needs to understand how important the energy sector is to the country," said Lunn.

Still, when queried on his view of the recent changes announced by Alberta's Premier Ed Stelmach in light of his views on the role played by energy throughout the economy, Lunn was quick to distance himself.

"The royalties are a provincial jurisdiction, the premier has the ability to change the royalties and that's all I am prepared to say," he said.

While Lunn's remarks were encouraging to those looking for leadership on the issue of economic development and environmental sustainability, his remarks would have packed more punch had he acknowledged the need for a comprehensive energy framework that would allow Canada to define its role as an energy superpower on the world stage, in its own, Canadian way.

dyedlin@theherald.canwest.com