

Integrating diverse perspectives is key to Canadian energy strategy

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Let's not get distracted by controversy. Recent media attention has focused on major energy pipeline projects and Canada's withdrawal from the Kyoto Protocol as defining the energy debate in this country. However, our political, policy and national interests are much broader and, if we look beyond the headlines, there are important dialogues happening in the coming months that deserve to be heard. Rather than picking sides, we could be building important bridges between: a forward-looking Canadian energy strategy; jobs and economic growth in traditional resources and emerging clean technologies; and a constructive role for Canada in both international trade and international climate change negotiations.

Over the last few months, the energy debate has been heating up in Canada. Prime Minister Stephen Harper has taken strong public positions on Canada's economic interest in opening new Asian markets for energy and the government has supported the Keystone pipeline to the United States. Natural Resources Minister Joe Oliver wants the review process to be streamlined for the Northern Gateway pipeline to the West Coast and all future projects. First Nations communities, environmentalists, businesses and citizens also have strong views about the costs and the opportunities.

But a broader energy dialogue is underway across the country with political interests emerging from several provinces and leadership from western premiers. The bigger conversation includes electricity infrastructure, energy conservation, R&D, technology, trade, carbon pricing and climate change. Building from work over the last two years by think tanks, NGOs, First Nations, business groups and energy ministers, the calls for an integrated and pan-Canadian energy strategy are growing. As Alberta Finance Minister Ron Liepert said when he was energy minister, even Hugo Chavez has an energy strategy, why not Canada?

Jobs and opportunities are being created through innovation and technology, for products and services that accelerate the shift to low-carbon and low-consumption systems for energy, manufacturing, buildings and transportation. These innovations also promote energy conservation and increase resource efficiency, two factors that improve both economic and environmental bottom lines. There are thousands of companies around the world, hundreds of them Canadian, participating in today's \$1 trillion global market for clean technology, a sector that has grown, despite the recession. As Minister Oliver

recently noted in Calgary, this sector is important to help limit the environmental impact of our traditional natural resource sectors and accelerate the adoption of clean energy technologies throughout the economy.

This is also an area where our competitors, countries like China, India, Korea, Germany and Japan, are maximizing their economic and manufacturing strengths. They are using a wide variety of policy tools, such as international financial institutions, foreign aid and trade policy to bolster their own domestic clean tech industries. If Canada needs more markets for traditional energy sources, it also needs to support Canadian clean technology leaders by diversifying access to similarly lucrative international opportunities while fostering domestic procurement strategies so critical to commercialize new technologies. Clean technology should become a more prominent feature of trade agreements with countries like China, India and Brazil. Expected to grow to \$3 billion by 2020, the global clean technology industry is an economic opportunity that should be central to the development of any Canadian energy strategy.

The linkage between energy development and economic opportunity is also deeply understood in the international climate change negotiations. In that forum, the case for energy expansion is made by developing countries where more than 1.6 billion people live without access to electricity or where a growing middle class in India and China understand that prosperity is linked to energy for homes, factories and farms. The challenge for developing countries is whether they can minimize carbon emissions from the energy sources they ultimately choose.

This is in part why a handful of new international mechanisms designed through the United Nations Framework Convention on Climate Change (UNFCCC) process are important. Through the new Green Climate Fund, the Climate Technology Centre and Network, and investments in adaptation or protection of lands and forests, both developed and developing countries will focus on a common set of climate change challenges, potentially turning them into development, poverty reduction or economic opportunities. These mechanisms were critical to facilitate the final Durban Platform, a framework that now engages all countries in reducing and reporting emissions from greenhouse gasses (GHG) and begins the process to define the next UN treaty for 2020 and beyond.

In Canada, we missed the significance of some of these developments in Durban while we focused on the reaction to the government's decision to withdraw from the Kyoto Protocol. In many ways this is understandable given the acrimonious domestic and highly symbolic Kyoto debate of the 1990s, which was seen by Western Canada as an extension of the despised National Energy Program. If we are to move past Kyoto, we must also leave behind our old federal vs. provincial and industry vs. the environment scars.

Canada needs to understand that the global climate debate has moved well past the old paradigm created in Kyoto. When countries come to the table today, they have designed their negotiating positions to gain advantage for their economic development, trade, technology transfer, forestry, agriculture and, yes, energy interests. Besides, Canada agreed to a target in Copenhagen and has confirmed each year since that it will reduce its emissions by 17% from 2005 levels by 2020, in lockstep

with the U.S.. Today we have achieved one quarter of that goal and must now define the rest our own domestic GHG reduction plan to meet our new international commitment.

In the coming months, let's remember the deeper dialogue happening between and within a diverse group of economic, environmental, policy and political interests to help define a sophisticated and forward looking energy strategy for Canada. Alberta Premier Alison Redford has taken up the cause and has found support among the Western premiers as well as with her colleagues in Quebec, Ontario, Manitoba and Nova Scotia.

We will need to define more clearly what the elements of that strategy might be, mindful that different regions have different interests and opportunities. Several groups are working on initiatives, reports and meetings to better define the elements of the strategy while respecting jurisdiction and roles in the federation. Beyond the controversy, let's make room for a range of voices that can help define and expand Canada's national interest.

Velma McColl is the author of the article "[Harnessing energy for change](#)" published in the February 2012 issue of [Policy Options](#).