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New report outlines path for federal government to reduce oilsands impacts

All federal leaders say more must be done; report outlines Ottawa's duties under existing federal laws

Ottawa, ON — Three of Canada's leading environmental organizations released a new report today detailing how federal laws should be enforced to reduce the negative environmental and economic impacts of oilsands activity. The report follows the federal government's recent acknowledgement, in striking a panel to review pollution in the Athabasca River, of the need for Ottawa to play a greater role in the oilsands.

"All of our federal party leaders are saying we need to do a better job managing the oilsands, yet very little ever seems to happen," said Rick Smith, Executive Director of Environmental Defence. "The recent science panel appointment on water pollution was a good first step, but now we need action to enforce the full range of federal laws in the oilsands."

The report outlines the solutions the federal government needs to pursue to manage the environmental impacts of oilsands operations, and explores what's at stake if Ottawa continues to neglect this responsibility. Key findings include:

- The degree of expansion planned by the oilsands industry is inconsistent with the federal government's current commitments to cut emissions. If expansion proceeds as planned, the oilsands industry will outspend its share of Canada's carbon budget by 3.5 times by 2020 and by nearly 40 times by 2050, even with an optimistic role for carbon capture and storage.

- Existing legislation, ranging from the *Canadian Environmental Protection Act* to the *Species at Risk Act*, assigns a clear role to the federal government to set limits on the environmental impacts of oilsands development, including water and air pollution, greenhouse gas emissions and the habitat of species at risk.
- The federal government must acknowledge and minimize the negative economic impacts of oilsands development by addressing how tying the value of Canada's dollar to the price of oil threatens the competitiveness of Canadian manufacturing and trade.

"The math on reducing greenhouse gas pollution while allowing the oilsands industry to grow at current rates simply doesn't add up," said Simon Dyer, Oilsands Director at the Pembina Institute. "Canada needs to transition off fossil fuels to clean energy over the next decades, and Ottawa must demonstrate how the oilsands fit into a national plan to reduce emissions."

If the federal government fails to live up to its legal and constitutional duties in the oilsands, it opens itself to ongoing court challenges regarding oilsands development, exposes the industry to tougher environmental restrictions from international markets, and leaves Canadians vulnerable to the economic uncertainty and risk associated with a currency that's too closely tied to the price of oil.

"We keep hearing that the tar sands are the economic engine of Canada, but what type of engine drives some of its passengers over a cliff?" said Steven Guilbeault, Deputy Director of Equiterre. "The manufacturing sectors of Quebec and Ontario need the federal government to start paying attention to the negative impacts of tar sands development on some regions, and figure out how to deal with them."

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Download the full report and summary in English and French at www.pembina.org, www.equiterre.org, and www.environmentaldefence.ca.

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