



"Focusing on environmental policy isn't exclusively a question of morality," writes Jim Prentice, echoing his message to a Canada 2020 symposium in Ottawa. "Increasingly, it's an economic imperative." Canada 2020 photo, Matthew Usherwood

## Energy and the Environment: Two Sides of the Same Coin

Jim Prentice

*As the massive changes in the North American energy market take effect, Canada will have to rely on guiding principles to balance development and conservation. A former federal minister of both industry and environment, Alberta Progressive Conservative Party leadership contender Jim Prentice provides a unique perspective on what those principles should be, and on how we can reconcile what should not be considered competing imperatives.*

The early days of the conservation movement in North America can be traced back to the actions of US President Teddy Roosevelt. During his two presidential terms at the dawn of the 20th century—working in the interests of what he described as “the people unborn”—this one man, a conservative, set aside almost one-tenth of the land mass of the United States as national parks, forest preserves and bird sanctuaries. He didn't attend the swearing-in of his successor because he was holed up in his office, using the final moments of his presidency to sign a raft of executive decrees

on wilderness conservation. Among other accomplishments, he saved the Grand Canyon with the stroke of his pen. Taken together, it was—and remains—an astounding achievement.

Conservatives have always been alive to these responsibilities. Over time, environmental concern and action have been hallmarks of our party. I think of the Acid Rain Accord and the other environmental achievements of the government of Brian Mulroney, who in 2006 was honoured by an expert panel as the “greenest” of Canada’s prime ministers.

I think, too, of the long history of conservation efforts in my home province of Alberta—which responded to its nascent energy industry by creating not the Oil and Gas Development Board, but the Oil and Gas Conservation Board. Here, too, in Alberta—indeed, in Canada—the way was led by conservatives.

Conservation was a critical precept in the development of the west, in both Canada and the United States. The dominant presence of public lands across western Canada and the fact that virtually all mineral resources in Alberta and Saskatchewan are publicly owned is a direct product of this ethic. So too, is the legal and constitutional framework surrounding access to water and waterways across the west.

As conservatives, we have led on this issue throughout our history. We have done so with pride and with purpose. We should not cede this ground to others—or allow ourselves to appear indifferent to the well-being of the world around us.

Certainly, there is something of a “pick-a-side” mentality that prevails in debates that involve resource development and environmental concern. There is a notion that you can be on the side of development, or you can be on the side of the environment, but you can’t have it both ways.

**W**e should not fall into this trap, nor accept this dynamic. We should not view concern for the environment as political anathema. On the contrary, I believe that leading on the environment has become a political imperative.

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The world is more complicated than ever. Global issues are increasingly intertwined: security and economic development; privacy and technological innovation; energy and the environment.

Focusing on environmental policy isn’t exclusively a question of morality. Increasingly, it’s an economic imperative. Around the world, the wave of concern over climate change crested a few years ago—but those who are paying attention can see that the next wave is building. That wave will come, and it will be highest when it crests on our shores. Canada needs to be ready for it.

And it is all the more complicated due to the recent dynamism of the North American energy marketplace.

Forty-five years ago, Richard Nixon became the first US president to highlight the strategic importance of the Canadian oil sands and to propose a Continental Oil Policy. An alignment was achieved: Canada as a supplier, the US as a consumer.

Since the 1980s, sheltered and framed by free trade agreements, Canada and the United States have enjoyed the mutual benefits of an extraordinary partnership. Our two countries have created the largest and most integrated energy marketplace in the world.

And now, we have together entered a new era.

The North American energy renaissance is transforming the supply-demand balance on our continent and transforming the goal of North American energy security from pipe dream to probability.

The scope of this upheaval is unprecedented.

The United States is today the world’s largest producer of liquid fuels and will be the largest producer of oil itself within a year or so. By 2020, our continent will be self-sufficient.

We are now in a world in which the US energy secretary is busily reviewing export licenses for some 17 Amer-

ican LNG facilities and is even musing about lifting the 40-year-old ban on oil exports.

This is a time of optimism and possibility. Given the pace of change, it is also a time of pronounced volatility. There have been regional and continental implications and we are now beginning to witness global changes, as energy flows, prices and competitiveness shifts.

In light of changes in the marketplace, we need principles to guide us:

I say this because quite simply—in a competitive global marketplace where countries, as well as companies, compete—we can’t afford to be cross-threaded with our existing or potential customers. This is not merely a question of morality: there is a highly practical element at play, as well. It’s about protecting our place in the global economic market—preserving jobs and investment for a country that relies on trade, and therefore very much relies on its international reputation.

**There are those who attempt to portray resource development and environment protection as competing interests. This is a false proposition. The more complex and nuanced truth is that we can pursue both and we can achieve both.**

**T**o my mind, there are eight principles that we should use, as conservatives, to define Canada’s approach to conservation in the 21<sup>st</sup> century:

First, we must continue to develop our resources—extracting from them the greatest benefit, for the largest number of Canadians, over the longest possible time. This is, in fact, the very foundation of Roosevelt conservationism. There is no shame in the development of our natural resources, so long as we are the best in the world at it, and it is sustainable.

Second, we will establish Canada as a world leader in the advancement of conservation and the protection of the environment.

There are those who attempt to portray resource development and environment protection as competing interests. This is a false proposition. The more complex and nuanced truth is that we can pursue both and we can achieve both. We can be a country that excels in the development of its natural resources—and in the protection and preservation of its natural environment.

Third, we enjoy an extraordinary environmental advantage and we should exploit it as an asset in North America's competitiveness.

Canada has one of the world's cleanest electricity systems, emitting little carbon and heading toward emitting virtually none. As a continent, the natural gas boom is providing North American industry with a competitive advantage.

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With that in mind, we must view the environment as a North American issue, because airsheds and watersheds don't respect boundaries and borders. We must pursue harmonization with our American neighbours. It is crucial that we as Canadians refrain from damaging our competitiveness by independently imposing costs, including environmental costs, on our domestic industries. But if we work together with the United States, we can achieve an even greater advantage by further harmonizing our environmental standards to make our continent an even more potent competitive force.

Fourth, as conservatives we will rely on free markets to develop the technology that will assist our pursuit of greater environmental responsibility.

We must avoid the lure of what I describe as subsidized environmental-

ism—the kinds of government-sponsored programs that funnel public money into schemes that, to be kind, have a dubious record of tangible success. As a nation, we poured billions into eco-subsidies without seeing any meaningful improvement in environmental outcomes. The Americans have done much the same with ethanol. Europeans have spent billions on renewable energy projects that have been singularly successful in damaging their industrial competitiveness.

Fifth, as conservatives we must believe in and establish and enforce world-class regulatory and monitoring standards.

**W**e must continue to define an environmental protection regime that is fair, clear, well thought out and well enforced. We must encourage responsibility by adhering to the principle of "polluter pay." We must ensure our regulators adhere to the imperative of investor certainty and the need to conduct reviews in a thorough yet timely fashion. As Roosevelt himself said: "Delay is costly. Nine-tenths of wisdom consists of being wise in time."

Our regulations must be smart, sound and forward-looking. They must also have teeth.

Sixth, we will enlist science and technology as our allies in responsible development.

We would not today be enjoying the economic benefits of oil and gas production were it not for the assiduous application of science. The oil sands, in particular, are one of Canada's great scientific successes. We need to embrace science and technology not only to understand the ongoing and emerging challenges to our environment—we need to embrace them as an integral component of a potential solution.

Seventh, as conservatives we must continue to lead the world in the conservation and in the protection of natural spaces.

Finally, as conservatives, we must build domestic and international partnerships and alliances and constructively engage with the world in pursuit of environmental solutions and progress on climate change.

Here at home, we must work more

closely with our First Nations and indigenous peoples to build economic partnerships, founded on sound environmental principles. It should surprise no one that Canada's indigenous peoples, who have been here the longest and are connected more closely to the natural environment, have strong views on these issues. We need to listen to their perspective.

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Here's the simple fact of the matter: If you are in the energy business today, you are in the environment business. They are two sides of the same coin. And so if we are serious about being a major global energy producer, then we need to be a major global environmental leader. We need to be willing to work in good faith and in a spirit of co-operation.

**T**hose are the principles that can help conservatives take back the environmental debate. These are the principles that can guide us in the service both of today's Canadians and of those that Roosevelt called "the people unborn."

I consider myself a passionate conservationist. I ascribe to the view of Emerson, who wrote long essays about the natural world but whose guiding view can perhaps be summed up in one of his shortest but most powerful sentences: "Nature," he wrote, "is loved by what is best in us."

We will develop our resources for the good of the present generation. In doing so, we will protect and advance the public interest. And we will strive to prevent waste and loss as the embodiment of our obligation to future generations. **P**

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