

Dr. Nancy Ginzer
Citizens for Sustainable Okotoks
May 23, 2007

Good morning. I'm Dr. Nancy Ginzer and I'm here on behalf of Citizens for Sustainable Okotoks, which is a newly formed organization concerned with environmental and sustainable issues in Alberta.

My suspicion that these panel hearings are merely a cynical public relations exercise to appease the public were confirmed when I read yesterday's headline in *The Calgary Herald*: "Don't expect royalty change: Oberg."

If Mr. Oberg has already made up his mind, I can only ask what we're doing here this morning.

Make no mistake, the petroleum producers' lobby has great sway with Mr. Oberg and our government leaders, because money *always* has the government's ear: money trumps the interests of the common people, every time. Mr. Oberg has defended the oil companies' demand for *no* change in the 1997 royalty structure—which, incredibly, is still based on \$10 a barrel—by claiming their costs have “increased significantly” while their “profits have decreased.” I guess a slight decrease in the 6.5 billion dollars Encana made last year, to cite just one example, would be a disappointment. My guess is also that Premier Stelmach is going to ride in on a white horse at the last minute, pre-election, to give a miniscule raise in the royalties and make it look as though he's listened to the people of Alberta. This is *not* good enough.

Energy is the lifeblood of a civilization. And as all informed citizens know, the world's supply of easily accessed oil is now at, or near, the point of decline—Peak Oil, if you will. Yet, with the short-sighted complicity of governments and corporations, Americans, Canadians, and now the Chinese, have among the highest SUV gas-sucking, mindless fossil fuel consumption rates in the world, as they continue to burn it up in the face of global warming, with utter disregard for the people of this planet.

In support of this massively irresponsible consumption, our government gives away our oil at an astonishing basement bargain price, as little as one percent royalties to 19, when compared to developed countries such as Norway, whose leaders wisely demand 50 per cent, and other countries' leaders who demand even more, vis-à-vis President Chavez of Venezuela.

By not getting our due, estimates show Alberta as having lost 200 billion dollars in oil revenues since 1993—billions that should have been used for the critical implementation of our *own* energy security—billions that should have been used to develop mass renewable energies to protect our environment from the greenhouse effect, which is what the governments of Europe have wisely been doing while our unenlightened leaders have been twiddling their thumbs with “no plan” at all, as Ralph Klein openly said. This is unacceptable governance to all thinking societies.

As the current situations in Iraq and Afghanistan prove, the U.S.A. is desperate for every drop of oil it can get. And China and India aren't far behind. This puts Alberta in a prime bargaining position—in the catbird seat. We give our government the moral and legal authority *on our behalf* to charge the best possible world price, and no other nation should interfere. Our government has every right to charge companies—in particular, foreign corporations—exactly what fossil-fuel energy is worth at this critical time in history, which is this: a price worth its weight in gold. And don't worry, with what's coming, the corporations will make their billions off of our energy, regardless what we charge.

Common sense dictates that we renegotiate NAFTA and that we charge a fair and top dollar for Albertan energy—at the very least, equivalent to that of the Scandinavian countries. Yes, keeping in mind our difficult extraction costs, but also keeping in mind our severe water depletion and the immense clean-up costs for the environmental destruction incurred. It is a depressing and gaping black hole up north, as anyone who's seen it knows; and if this development continues, it's going to damage a massive territory.

As for a potential economic slow down if we increase our royalty rates? This would be welcomed by all sensible Albertans, as the inflationary, unsustainable growth we are now seeing is both ugly and short-sighted—contrary to the sustenance of good and healthy communities.

Protecting the land and conserving energy for our own children's future and that of our country should be paramount. Isn't this what a conservative government is meant to do, *conserve* for the future? As Robert F. Kennedy Junior says: "The measure of good government is how it distributes the goods of the land. Does a government safeguard the... public trust assets—on behalf of the public, or does it allow [it] to be stolen from the public by corporate power?" Safeguarded *for* the public, or stolen *from* the public. That's the choice.