

MP Dennis Bevington's statement on the Keystone XL Pipeline in the House of Commons on November 7, 2013.

Mr. Speaker, I am pleased to debate this topic. I live downstream from the oil sands in the Northwest Territories. We have great concerns about those oil sands. I will start with a little history. In 2007, the oil sands industry in Alberta was looking at massive investment in upgraders. What happened to change that? In Texas, the government of the day in the United States decided that Venezuelan heavy oil coming from the Chavez regime was not appropriate. The Chavez regime agreed with that and we saw the stifling of heavy oil to the Texas refineries. That changed the situation in 2007.

The upgraders then were to be replaced with the heavy oil upgraders in Texas, and the multinationals that ran the Alberta oil industry had no consideration at all for Canada only their bottom line and their corporations, which is what they can only look at, decided to go to Texas. The bitumen could be put into the heavy oil upgraders there. They would not have to invest \$60 million to \$100 million over 20 or 30 years to build upgraders, modern upgraders that could provide the best possible service in upgrading our bitumen. They would not have to do that in Alberta. They would not have to make that decision. They would not have to invest that money, but they needed to get a pipeline. They wanted to get a pipeline down to Texas where they could use those heavy oil upgraders, which would increase their profits. They did not really have a reason to support Canadian industry, to support Canadian workers or to support the Alberta economy. In fact, if they used these heavy oil upgraders, that could open up more investment than they could put into the oil sands, so they could produce more of it and ramp up the speed by which they developed this resource, because they were just taking it out of the ground and shipping it somewhere else. They could start moving more and more projects.

How does that make the people in our region feel? When we talk to the people in Fort Chipewyan, the people in Fort MacKay or talk to any of the people who actually live in that region, like myself, in Fort Smith, we do not like it. We want orderly development. We do not want the oil sands to blow up to three times its size in the next decade and a half because we are simply taking the oil out of the ground and shipping it out of the country. If we were building the upgraders in Canada, there would be plenty of jobs and economic development for Alberta. This would work. This would mean more orderly development of the oil sands.

Instead, what do we have? We have the Wild West going. The Jackpine project has just been approved. What did the Environmental Assessment Board say about the Jackpine project? It would have significant impact on the environment. However, for economic reasons, it was allowed to go ahead anyhow. It was needed for the economy. Because raw bitumen was just being shipped out, these plants had to be built that take it out of the ground and get it out of the country. What kind of process is that for Canada?

Who are the big promoters of this project in the United States? The guys who control the petcoke industry, the Koch brothers. The biggest climate change deniers in the world love this product. They love to get the petcoke into the states where they send that dirty product that comes out of the upgrading using the coking

process, which is a process that actually should not be the main process right now for upgrading, but I will get into that a little later. They take that petcoke and sell it to China, the dirtiest product to put into a coal-fired plant the world has ever seen. That is what is done with it. That is what we end up supporting with our Canadian Keystone pipeline.

The Koch brothers were pretty careful at the beginning. They would not admit any involvement with Keystone. They did not want to tie any of their processes, but it has been proved now, pretty conclusively, that these guys are doing it for their purposes.

This is what Canada is supporting right now. The dirtiest product is going to go from the United States to China and to other countries to be burned in their coal-fired plants.

Keystone XL would produce about 15,000 tonnes of petcoke a day from its process. What can we do differently? We could build upgraders in Canada.

When they switched to coking from hydrogen addition, it was because the price of natural gas went through the roof at the beginning of the last decade. Where is the price of natural gas now? It is down there.

We are building LNG terminals to ship the natural gas out of the country when we could be using it in upgraders in Alberta to upgrade the bitumen in an environmentally reasonable fashion, reasonable but not perfect. Instead, we are going to build the Keystone pipeline, ship it all down, put it in the old beat-up refineries along the Texas coast that have handled Venezuelan heavy crude for the last 40 years. It will stick it in there, it will process it there and it will take the petcoke and ship it to China.

How does that fit with Canada's image in the world? What does that make Canada? More of a pariah? Is this what the Conservative government wants: everyone in the world looking at Canada as a purveyor of ill-gotten environmentally unfriendly good? Is that the Conservative government's plan for Canada's economy?

The Conservatives have to shake their heads a little. They have to recognize that Canada has a place in the world. We are not alone in the world. We are not immune to the opinions of the rest of the world. We live off the opinions of the rest of the world through trade. If we do proper trade, people will continue to work with us.

I sat on a board that dealt with environmental issues on rivers. The Al-Pac pulp mill on the Athabasca River, through public pressure, was forced to increase its environmental capacity before it was built. The executives of that company told me five years later that it was the best thing that ever happened. They could sell their pulp anywhere in the world as a high premium, environmentally correct product. It was the best thing that ever happened to them.

What are we doing with our oil sands that are going to be around for 150 years? What kind of reputation are we building for this product that we want to sell to the rest of the world for decades to come? We are doing nothing. We are just trying to get it out of the ground as fast as possible. Mine it and ship is the viewpoint right now in this industry.

We could move in another direction. We could set up the most modern upgraders in the world using the excess natural gas we have for hydrogen addition. We could produce an industry that had a lot more environmental aspects to it. We would also then have synthetic oil, which we could send anywhere in the world. Synthetic oil created out of bitumen can go into any refinery in the world.

Rather than being a hostage to the Texas coast where, in a few years, perhaps Venezuela will be back to being a friend of the United States and then, all of a sudden, we would be competing with heavy oil coming by tankard loads from Venezuela to the same refineries. All of a sudden, the value of the bitumen would start to drop because there would be competition for the same upgrading.

I appreciate that I have one minute left, but if we look at it environmentally, our country has about one minute left.

We have moved so quickly to a position in this world where we are simply not accepted anymore. We are not accepted as being good citizens of the world. This is a tragedy that goes on the backs of all those people sitting across there. The Minister of Foreign Affairs and the Prime Minister are the guys responsible for the mess we are in today. They sit there and grin and pretend that this is all just going to pass by. It is not going to pass by. We will remember what they did.