

June 3, 2008

EXECUTIVE COMMITTEE:

City Council on May 26 and 27, 2008, referred the following Motion to the Executive Committee:

MM21.3 Request Federal Government to Create New National Energy Policy

Moved by Councillor Walker, seconded by Councillor Shiner

SUMMARY:

Canadians have been experiencing very volatile gas, diesel and natural gas fuel prices for decades. In the past five years the prices have doubled, most particularly gas prices.

Canada is in the top five of worldwide oil producers and has the second largest projected oil reserves in the world.

In the recent past, in 1980, Canada had in place a National Energy Policy which regulated the country's oil production rate, as well as the wholesale and market sale prices; it was a two price system: one for domestic and one for international purchasers. Toronto and the Greater Toronto Area (GTA), as the country's economic engine, would certainly benefit by more formally regulated fuel pricing, and a lower price at that. It is important for Toronto and the GTA to join the discussion to mitigate high fuel prices since the health of our economy is so dependant upon the price of fuel. Canada needs a New National Energy Policy.

Such a New National Energy Policy would ensure Canada's, and by extension Toronto's, energy self sufficiency across the country and the best way to do this would be to connect the country coast to coast with a pipeline to immediately address shortages of domestic gas and natural gas in any part of the country.

Toronto's economy is fragile and has been absorbing inflating costs, such as doubling fuel prices, over the last few years. Today's context represents a certain threshold beyond which much of our industrial and service sectors will have to close or severely reduce their activity to withstand dwindling profits due to skyrocketing fuel costs. For example, a taxi driver is already making less than the minimum wage because he/she must spend so much on their gas.

Toronto is Canada's largest city and sixth largest government, and home to a diverse population of about 2.6 million people. It is the economic engine of Canada and one of the greenest and most creative cities in North America. In the past three years, Toronto has won more than 70 awards for quality, innovation and efficiency in delivering public services. Toronto's government is dedicated to prosperity, opportunity and liveability for all its residents. It is on these merits that we must lead the rest of Canada in calling for a New National Energy Policy which would put Canadians first in line for their own natural resources.

RECOMMENDATIONS:

1. That City Council request the Federal government to enact a newly-formed National Energy Policy that governs the production, import and export, and domestic and international price of oil, natural gas, gasoline and diesel in Canada.
2. That City Council forward this Resolution to the Prime Minister of Canada, the Premier of Ontario and the respective Leaders of the Opposition at the Provincial and Federal levels.
3. That City Council direct the City Manager to report to the September 2008 meeting of the Executive Committee on strategies and opportunities for Toronto to aid in the pursuit of stable fuel prices for our region and Canada as a whole.
4. That this Motion be forwarded to all municipalities in the Greater Toronto Area and all municipalities with populations greater than 50,000 in Canada.
5. That this Motion be deemed to be in the interests of the municipality of Toronto and by extension, all municipalities.

for City Clerk

M. Toft/cd