



Sign Up with the Oilfield News Online



www.oilfieldnews.ca

www.wilsonimmigration.com  
 What Immigration, Network, Immigration Corp.  
 Your gateway to a new life.  
 660 Rocky Mountain Plaza, 615 Macleod Trail SE, Calgary AB  
 Phone: 403.264.2923 / Fax: 403.266.5162  
 403.266.7143  
 Toll Free: 1-888-657-8255  
 Ann Wilson, CHRP, ICCRC R421415  
 (Formerly Citizenship Judge)  
 ann@wilsonimmigration.com

Published By: NEWS COMMUNICATIONS since 1977

Wednesday March 5th 2016

### SCIENTISTS TELL JUSTIN TRUDEAU, PREMIERS TO RETHINK PIPELINES

Clean-tech executives also urge first ministers to support their industry

Scientists have written an open letter to Prime Minister Justin Trudeau and the premiers saying that spending on infrastructure for fossil fuels may not be the most productive use of resources.

In a second letter to the ministers, a group of 50 executives from British Columbia's clean technology industry has proposed a series of multibillion-dollar incentives for what they say is Canada's next source of economic growth.

Both documents seek to influence Trudeau and the premiers as they start talks on a national climate-change strategy in Vancouver this week.

"We're trying to bring our best perspective as to what's going on in the global oil market and what are the good investments for Canada," said James Byrne, a climatologist at the University of Lethbridge.

He's one of 28 signatories to a letter

from members of Sustainable Canada Dialogues, made up of 60 academics across the country representing disciplines from social science to engineering. The letter argues that oil prices have permanently changed depressed by high Saudi production and threatened by shifts away from gas-powered vehicles.

It also points out Canada has already approved and proposed new pipelines capable of moving 2.3 million barrels of oil a day. Building those lines, as well as the oilsands projects needed to fill them, will cost about \$120 billion, the letter says.

"Given that world oil prices are unlikely to rise, it is questionable whether or not those investments will be profitable," it says.

"Just days ago the Saudi oil minister stated oil prices will remain low until high-cost producers, like oilsands, are forced out of the global market."

The letter says renewable energy investments are a better bet for the future.

"Refocusing investment on renewable energy providers would shift oil and pipeline workers to building energy production systems

that take advantage of Canada's renewable energy potential. The transition to a low-carbon society and economy will enhance prosperity and well-being, modernize infrastructure, develop regional renewable energy sources, and create new businesses and new jobs."

In their letter, the industry officials say Canada is actually falling behind in so-called clean technology, which includes environmental solutions in the power, forestry, energy, mining, chemicals, and manufacturing, agriculture and transportation sectors.

They argue Canada has been the world's third greatest loser of market share in the industry since 2008, falling from 14th to 19th. Other studies have found Canadian investment in renewables dropped by half last year as other countries register double-digit increases.

"The world will produce and consume more than \$1 trillion of cleantech solutions," the letter says. "The only question is whether Canada will be a buyer or a seller."

The businesspeople ask for \$1 billion in loan guarantees for capital costs for environmental projects.

Their letter requests another \$1.25 billion in funding over five years to support programs through the Sustainable Technology Development Canada program.

They want another \$500 million for a renewables venture capital fund, as well as changes to tax rules to make the advantages already available to the resource industry apply in their sector.

They propose a national strategy on renewables be developed.

"To invest in a strong cleantech industry is to invest in a diversified, innovative, knowledge-based economy," says the letter.

### B.C. GOVERNMENT TO INTRODUCE 'WORLD-LEADING' OIL SPILL RESPONSE LAW

Legislation will pave way for oil companies to comply with 1 of B.C.'s 5 heavy oil pipeline conditions

The B.C. government is set to introduce a new law requiring oil companies to have what it calls a "world-leading" response to oil spills on land — creating a path for industry to meet one of the province's five



**SKYSTONE INTERNATIONAL**  
**Slashes Prices by 50%**

During these tough economic times we have decided to reduce our technical training courses to help ensure everyone keeps up to date with their training and remain employable.

Pipeline Integrity Management  
 Pipeline and Facility Installation Inspector's Course  
 Regulatory & CSA Z662 Pipeline Systems Code Requirements  
 Regulatory & ASME B31 .3 Process Piping Code Requirements

See our website [www.skystone.ca/training](http://www.skystone.ca/training) for full course details, schedule and reduced prices.

**Sign up early as these prices will not last!**

**GREENGROVE A DIVISION OF PFG INC.**

- \* WE SUPPLY AND PLANT TREES
- \* Wholesale and retail pricing depending on quantity
- \* Tree moving and design
- \* Large variety of trees available



**Contact:** BUSINESS: 780.795.2362  
 CELL: 780.723.1678  
 FAX: 780.795.2523  
 EMAIL: [greengrove@hughes.net](mailto:greengrove@hughes.net)

P.F.G Inc. A©2007 ALL RIGHTS RESERVED

requirements for heavy oil pipelines. Environment Minister Mary Polak said the province's existing Environmental Management Act was "really out of date," and the amendments will require companies to prepare for an oil spill on land and clean up after one.

"The biggest change here is the scope" of what a company is responsible for, said Polak, from prevention to cleanup to environmental restoration.

"We're requiring them to be prepared. We're also requiring them to have plans to prevent a spill from ever occurring."

While environmentalists are welcoming tighter rules, concerns remain that no clean-up efforts — world-leading or not — will mitigate damage from heavy oil spills.

In 2012, B.C. set out five conditions that had to be met for it to support any heavy oil pipeline project, including "world-leading" oil spill prevention and response on land and water.

The province has opposed the Enbridge Northern Gateway pipeline and Kinder Morgan's Trans Mountain pipeline because those five conditions have not been met, according to the government.

The new legislation, which if passed is expected to come into effect in early 2017, will tell companies exactly what B.C. considers "world-leading" when it comes to land-based spills, and what they'll have to do.

"It satisfies our condition with respect to world-leading response

on land," said Polak. "There are of course other hurdles."

The laws only target oil spills on land, because that's what falls under provincial jurisdiction, though Polak noted that many marine spills eventually make their way to land.

The transport of hazardous goods and marine spills are both federal responsibilities, and B.C. will work with Ottawa on that, she said.

The proposed changes are being welcomed by the Georgia Strait Alliance, an environmental group that has advocated against oil pipelines and for better spill response and preparedness.

But executive director Christianne Wilhelmson said calling any response "world-leading" obscures the reality that there are no effective tools for cleaning up certain spills, such as diluted bitumen.

"Good spill response is essential," said Wilhelmson. "However, when spills happen, in particular with things like diluted bitumen, it's too late."

Wilhelmson said she'll be watching for the details of response times, recovery standards and public accountability, when the full regulations enabled by the new legislation are made public.

NDP environment critic George Heyman said it's appropriate to put more onus on whoever is responsible for a spill but said the government looks like it will leave the industry in charge of the response — without enough oversight.

"It's very difficult to understand how

this can be a world-class response when this government simply does not have the resources or people on the ground to do serious monitoring when there is a spill."

The new legislation will include new offenses and penalties, though the specifics will be defined at the regulatory stage after the law has passed, said Polak.

The changes have been in the works since 2010, and were developed in consultation with industry, First Nations, local governments and others.

### CONFERENCE BOARD SAYS LNG WOULD PROVIDE BIG BOOST TO ECONOMY, IF IT GOES AHEAD

A new study shows Canada would get a big economic boost from a liquefied natural gas industry, especially British Columbia, including tens of thousands of jobs and billions of dollars in economic activity.

The Conference Board of Canada's report was issued Monday as the future of Canada's LNG industry is complicated by low global energy prices that have delayed at least two B.C. projects.

The board found that if the industry produces 30 million tonnes per year of LNG, Canada's economy would grow by \$7.4 billion a year over 30 years.

Its report said the main beneficiary would be British Columbia, which it said would see 46,800 jobs created and \$5.3 billion a year of economic growth over the 30-year horizon.

The board said annual government revenue including corporate, personal and indirect taxes, as well as royalty revenue, would increase by about \$6 billion annually for Canada, including \$3 billion to the provincial government.

The study — which is based on a model of three hypothetical projects — comes out only days after the AltaGas-led group behind the Douglas Channel LNG project stopped development, citing low prices and an oversupplied market.

The Douglas Channel project, with a proposed capacity of 550,000 tonnes of LNG per year, is the smallest of the 21 proposed LNG projects in B.C. But it's not the only LNG development to have been sidelined.

Royal Dutch Shell announced in early February it was postponing a final investment decision on the much larger 24-million-tonne-per-year LNG Canada project.

Both projects have been pushed back as the global LNG industry is reeling from a plunge in prices brought on by oversupply of both oil and natural gas.

The supply issue isn't going away soon, with a number of major LNG projects just starting to ship, including one in the U.S. that made its first shipment of LNG last week.

The Conference Board said it scaled back its study to a more conservative 30 million tonnes a year of development, compared with the 80 to 120 million tonnes per year the B.C. government based its initial impact studies on, but noted the findings are still subject to a "great

## Field Machine Tools

Designed and built in North America, E.H. Wachs® manufactures the world's finest line of field portable weld prep machine tools. They're the first choice of pipe machining and welding professionals around the world.



Trav-L-Cutter  
Milling Cutter & Beveler



DynaPrep Split Frame  
Pipe Cutter & Beveler



EICC External Internal  
Casing Cutter



Superior Equipment. Complete Support.™

5411 82 Ave NW, Edmonton, AB T6B2J6 | T: 1-800-661-4235  
sales@ehwachs.com | ehwachs.com

SALES &  
RENTALS

# GET OUT OF DEBT

- ➔ **FREE** Financial Advice ➔ **Consolidate Debts**
- ➔ **Good or Bad Credit** ➔ **Relief** from Creditor Calls
- ➔ **Only NORTHERN** Counsellor ➔ **0% Interest Eligibility**
- ➔ **Cash Settlements** ➔ **Friendly Prompt Service**

Free Help Line:

**1-866-563-6998**

**GOV'T LICENSED / BONDED**  
**www.debtconsultants.ca**

**AAA CREDIT COUNSELLORS  
& DEBT CONSULTANTS**

degree of uncertainty" because no projects are yet under construction.

The study said the vast majority of the jobs and spending would come from the upstream production side of the industry, with the opening of export markets leading to around a doubling of natural gas production in B.C.

### CANADA AND THE WORLD RIDE THE LONG WAVE TO GDP GLOOM

After the commodities boom the world may be facing a much more ominous super cycle

Murdered by Stalin as an enemy of communism, Nikolai Kondratieff was never really a hero to capitalism, either.

The Russian economist's idea, widely challenged by many conventional Western economists, is that capitalist economies, as well as passing through periodic recessions and booms every half-century or so, face worse declines caused by general industrial overcapacity.

As Canada contends with a worldwide glut of oil, commodities and industrial products, it is reasonable to re-examine Kondratieff's theory and ask whether it can tell us anything about what the global economy is experiencing now.

Kondratieff's core idea, formulated by studying historical data, was the "long wave," which he determined to be between 50 to 60 years. The idea was championed by the Austrian-American economist Joseph Schumpeter, who also argued that creative destruction was the force that renewed capitalism and kept it fresh.

That's the idea that in an entrepreneurial economy, businesses with old management methods and old technology must collapse to make way for vigorous competitors.

Long-wave theory, as it sometimes called, is used to support many competing economic arguments. But perhaps the one most disliked by market economists who believe in the self-correcting nature of capitalism is the concept of a general economic overcapacity and glut.

For reasons that are disputed, the world's productive capacity begins to grow to a point where it produces more than people want to or can afford to consume.

Saudi Arabia and OPEC are taking the blame for producing too much oil. For the production of industrial goods from solar panels to steel, many critics see China as the villain of the story.

In an article this week titled The march of the zombies, The Economist directs a pointy finger at China, whose "huge exports of industrial goods are flooding

markets everywhere, contributing to deflationary pressures and threatening producers worldwide."

Of course it is easier to blame others. The global oil market was relatively stable until U.S. domestic shale production kicked in. In China, U.S. companies from Apple to Walmart are part of the problem.

"It's classic long wave; it's overproduction," said David Knox Barker back in 2010.

"Washington is complaining about Chinese production and the goods they're dumping on our market but 60 percent of those exports out of China are owned by U.S. Fortune 500 companies, by our manufacturing facilities in China."

The fact is much of the world was thrilled when China followed the U.S. lead and began dumping money into its economy following the 2008 economic meltdown. It drove demand for iron and copper, potash and pork.

The stupendous incline of China's industrial growth remains hard to comprehend. By 2014 it was producing as much coal as the rest of the world combined. By 2013 it was producing 90 per cent of the world's computers and 80 per cent of the world's air conditioners.

Yesterday an indicator of China's industrial production fell to its lowest level since 2011, just as the government was announcing it was shrinking coal and steel production, eliminating six million jobs. That is about a third of Canada's entire labour force.

At the same time, China is trying to boost growth by allowing its banks to lend more freely. Of course the danger is that with world interest rates near zero, the zombie companies continue to survive inside and outside China, contributing further to overproduction and making deflation worse.

Expanding overcapacity becomes like a giant feedback loop. Countries and companies produce more to counteract falling prices, pushing prices even lower. If breaking the cycle were easy or painless, it would already have been done. As many have said, it may be that the only way out is a crisis.

The long-wave idea has many doubters. Theories based on history are easily discredited by saying things are different now. Some say Kondratieff's analysis read the historical data wrong. Like scientists predicting earthquakes, no one really knows whether the next one will be the big one or just another tremor.

Some experts say faster technological change means the cycles will come

# SPRING MADNESS

## WE'VE GONE CRAZY WITH OUR RATES THIS SPRING!

**BOOK ANY 2 NIGHT STAY and SAVE 15% OFF our BEST AVAILABLE RATE**



RATES STARTING AT \$135  
PROMO CODE: PLI  
» CLICK HERE «  
1-800-661-9804



RATES STARTING AT \$119  
PROMO CODE: K09  
» CLICK HERE «  
1-877-646-6302

Offer valid from March 21, 2016 to June 30, 2016. Breakfast included only with Home2 Suites by Hilton.

COME OUT AND BRING THE FAMILY  
THERE IS SOMETHING FOR EVERYONE

**Edmonton Boat & Sportsmen's Show**  
March 10-13  
Edmonton Expo Centre  
sportshows.ca

**Nat Geo Wild's TV Show:**  
Dr. Oakley, Yukon Vet  
Kids Fishing Pond  
Birds of Prey  
Lumberjack Show

f t+ @



www.parleyconsulting.com

**Randal Clark**  
Turn Around Consultant



Office: 1 780 722 3000  
Fax: 1 888 401 3428  
Text: 587 407 4556

Take back your financial well being!

more quickly. Paul Mason, author of *Postcapitalism: A Guide to Our Future*, says Schumpeter's idea of creative rebirth has been wiped out by technology that allows our best entrepreneurial ideas to be shared and reproduced in the form of bits and bytes at almost no cost.

In fact, this may be part of a Canadian economic rebirth. It is certain that when recovery comes, it will come to some places before others.

With so much of our manufacturing industry exported to places like China, we have already passed through the destruction phase.

A retreat from mass production might suit us well. Perhaps the next economic wave will be specialized and individual, local and fresh, based on quality and service. Drugs will be tailored just for you. Energy will be created on your roof.

Micro-manufacturing and 3D printing will make exactly what you want.

And then maybe we can give foreign mass production the long wave goodbye.

### LOCAL PETITION SUPPORTING PACIFIC NORTHWEST LNG GETS 500-PLUS SIGNATURES

Fort St. John residents turned up in droves over the weekend to add their signatures to a letter calling on the federal government to approve the Pacific NorthWest LNG project.

On Saturday, the upstart FSJ For LNG group collected more than 500 signatures outside Home Hardware in support of the project, signatures that group founder Alan Yu says are being sent to the Canadian Environmental Assessment Agency (CEAA).

"We are hoping we will be able to sway the government to approve with finality the Pacific NorthWest LNG plant. That's our immediate goal," said Yu.

"We would like to send a message to Ottawa that we are pro-LNG and that it's about time they approve these plants."

Earlier this summer, project-leader Petronas and its partners sanctioned the \$36-billion project near Prince Rupert on two conditions: approval from British Columbia's legislature, considered a formality, and the granting of an environmental certificate from the federal government. The project has already received the approval and necessary legislation to proceed from the province, and awaits a decision from the federal government.

Earlier in February, the CEAA released its draft environmental assessment report on the facility, and is accepting public comment until March 11.

Yu said the plant must proceed in order for Fort St. John and the North Peace to access new markets in Asia and lift itself out of the current slowdown in the natural gas industry. He said about one-third of those who signed the letter Saturday worked in the industry and were unemployed.

"We recognize in a few years, the United States, which is our only export market, will be self-sufficient," Yu said. "When that day happens, and we don't have any alternative markets, then our production will be lower and it will be really, really bad for Fort St. John."

Yu, a former technician who programmed two-way radios for the oil patch, was laid off in January. He began his efforts in December, which has since ballooned to a group of more than 1,300 supporters on Facebook. Yu wants to combat what he says is "well-funded and well-organized" opposition to natural gas pipelines and LNG facilities, pointing to a trio of Russian scientists who were in B.C. earlier this month to lend their support to opponents of the Petronas project.

Yu says Canadian regulations are stricter than those in Russia—"it's comparing oranges and apples," he says—and that natural gas pipelines are safer than pipelines that carry oil.

"The pipelines are totally different, people should know that," he said. "They're so safe, all over cities in Canada, and they even go into our homes."

Yu's plan is to expand his group to cities along pipeline routes to the coast, including Prince George, Terrace, Kitimat and Prince Rupert.

He's also planning to hold a simultaneous rally with a similar citizen-led group in Fort Nelson before the CEAA's March 11 deadline for public comment.

"The reason we want this coalition is that the bigger our voices the more we are going to be heard," he said.

"With a synchronized rally, I think we can get national attention."

### SITE C PROTESTERS END BLOCKADE

Local farmer says protesters are crying and emotional but packing up "as law abiding citizens"

Site C protesters who've been stalling dam construction in northern B.C. say they're packing up and ending their two-month land occupation so they won't be arrested.

Reached this afternoon at their remote Rocky Mountain Fort protest camp, Site C opponents told CBC News they are obeying Monday's B.C. Supreme Court order requiring them to leave the area and allow site-clearing work by BC Hydro contractors to proceed, southwest of Fort St John.

"At this time, none of us are going to be arrested, because we are law abiding citizens," said local farmer Arlene Boon, who has been camping in the snow at the protest site for 32 days.

Yvonne Tupper, a land occupier with the Treaty 8 Tribal Association, said the protest's end was bittersweet. "We bought that small chunk of land another 62 days of life," she said. "When you understand your relationship to the land, it tells you where your place is."

Today, Boon said people in camp are crying and emotional, as they pack up and dismantle cabins, lean-tos, and tents and load supplies on to snowmobiles and boats.

"There are people pacing back and forth because they feel helpless," Boon said, choking back tears. "There are a lot of emotions going around here."

The court order to end the land occupation went into effect at midnight last night. But it gave RCMP discretion about when and how to remove protesters.

Protesters said the RCMP gave camp occupants a few days grace to pack up and clear out.

"They could have come in and arrested us at midnight," said Boon. Instead, RCMP flew in by helicopter this afternoon to deliver the court order in person.

In an email to CBC News, North District RCMP Cpl. Dave Tyrman said police were reviewing their options for enforcement, but considered "direct dialogue" important to ensure a "safe environment" for all.

BC Hydro community relations manager Dave Conway said it has been "unsafe" for contractors to carry out site clearing with people camping nearby.

"We have a legal right to carry on with the Site C project," said Conway, "and that's what the courts decided Monday. We need to get on with this work as soon as possible."

People at the protest camp in the remote Rocky Mountain Fort area have stalled site clearing work on the south side of the Peace River for more than two months.

But Site C construction at other work sites has been underway for months and was unaffected by the protest.

Last month, almost 5,000 people in northern B.C. lined up for a chance to apply for jobs on the \$9 billion dollar hydro project.



## REDVERS & DISTRICT OIL SHOWCASE

REDVERS RECREATION CENTRE

Box 903  
Redvers, SK S0C 2H0  
Tel: (306) 452-3225

May 12 & 13  
**2016**

email: [redversoilshow@hotmail.ca](mailto:redversoilshow@hotmail.ca)

[www.redversoilshow.com](http://www.redversoilshow.com)