

CANADA'S NATURAL GAS AND OIL INDUSTRY: AT A GLANCE

Canada is a leading producer of natural gas and oil in the world, providing energy the world needs for security, prosperity and basic living standards.



largest producer of natural gas after U.S., Russia, Iran and China
(Source: EIA, 2021)



largest reserves of oil after Venezuela, Saudi Arabia and Iran

World-class production and supply

Canada has vast energy supplies and the expertise and commitment to extract natural gas and oil resources in a responsible and sustainable manner.

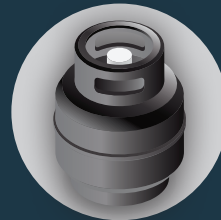
Today there is growing demand for Canadian natural gas and oil because we are one of the few stable, democratic countries that produces more energy than we consume. And as a global leader of GHG emissions reduction through cleantech innovation, Canada has an opportunity to stabilize energy security and become a preferred global supplier of responsibly produced energy for decades to come.



Production in 2022:



5 million
barrels of oil/day
(includes natural gas liquids)



18 billion
cubic feet/day of
natural gas



More than two-thirds
of Canadian oil
production is exported.

Facts about Canada's natural gas and oil industry:

- Canadian energy can help displace natural gas and oil from **regimes like Russia** and Saudi Arabia; an analysis by the International Energy Agency showed North American oil and gas exports will need to increase 90 percent to Europe and 170 percent to Asia by 2030 to enable reduced reliance on Russian resources. (Source: WEO, 2022)
- Canada has a **socially responsible industry** that partners and invests in Indigenous and local communities;
- Canada's industry follows rigorous best practices and regulatory frameworks that emphasize **safety, environmental protection and continuous improvement.**

ENVIRONMENTAL PROTECTION AND INNOVATION

Through investments in innovation, Canada's natural gas and oil producers have been lowering per-barrel GHG emissions, and are moving toward a low-carbon future. Canada is a leader in environmental protection, ensuring that water and air are protected and reclaiming all lands disturbed by operations.

Canada's natural gas and oil industry and the environment

- The industry produces **0.36% of total greenhouse gas emissions** in the world and is working to lower them further.
 - Per-barrel equivalent GHG emissions intensity from **oil sands** extraction fell 33% from 2011 to 2019.
 - Per barrel GHG emissions intensity from **oil sands mining** fell 14% from 2013 to 2019.
- Canada is the first country to put a **methane emissions reduction target** into regulation and we're on track to meet the 2025 target
- A report issued by BMO Capital markets showed Canadian oil and natural gas producers have invested an average of \$1.2 billion annually since 2012 into research and development, much of that focused on reducing emissions. The report indicates that number is rising and could exceed \$2 billion by 2025.
- In 2019, Canada's natural gas and oil industry spent \$3.05 billion on **environmental protection**: that's 34.3% of all spending and tops in Canada (Statistics Canada). Spending is on areas such as biodiversity habitat protection, air quality management, emissions reduction and water protection.
- Investments in carbon capture and storage, electrification, energy efficiency and other new technologies awaiting deployment will ensure Canada leads the way to a future that is **both low-carbon and energy secure**.
- Although Canada's contribution to global emissions is small, our contribution to emissions reduction can be much more significant: through our commitment to research and innovation, we can becoming a global leader in **hydrocarbon cleantech** exported around the world.
- Canada's emerging **LNG industry** has the potential to displace coal burning for electricity generation, which would result in dramatic reductions in global GHG emissions.

Global Greenhouse Gas Emissions



0.36%

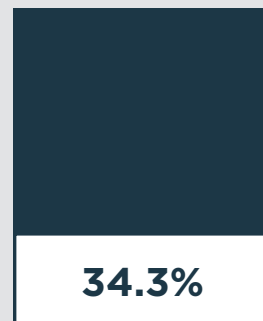
Canada's upstream oil and gas industry share

NET ZERO

Through the Pathways Alliance, six of Canada's oil sands producers have committed to net-zero emissions by 2050.

Environmental Protection Activities

Capital expenditures on environmental activities by industry (Statistics Canada)



34.3%

3.05 Billion
Oil and Gas spend

BENEFITS OF A STRONG CANADIAN NATURAL GAS AND OIL INDUSTRY

A strong Canadian natural gas and oil industry ensures benefits in Canadian communities across the country through tax revenues, job creation and affordable energy.



Canada's natural gas and oil industry and the economy

**\$36
BILLION**
in total government
revenues 2019-2021

Source: CAPP, 2019-2021

**200,000
CANADIAN
JOBS**

Source: Statistics Canada, 2023

**\$40
BILLION**
forecasted 2023
capital investment

Source: CAPP, 2023

**\$2.4
BILLION**
value in procurement
with Indigenous
companies

Source: CAPP, 2021

- The industry directly employs approximately **200,000 Canadian workers**.
- It is active in 12 of Canada's 13 provinces and territories through a **nationwide network** of more than 10,000 businesses that supply goods and services to natural gas and oil operations.
- **Capital spending** in Canadian oil and gas is forecast to rise from \$37 billion in 2022 to \$40 billion in 2023. These investments spur economic growth and job creation.
- **GDP impact** of \$168 billion (Statistics Canada)
- Canadian oil and natural gas make up Canada's number one **export**, accounting for about 20 percent of national trade value.
- Canadian **governments** received \$36 billion in revenues through taxes, fees and a world-leading royalty framework from Canada's oil and natural gas industry from 2019 to 2021. A recent report estimates revenues could reach \$50 billion in 2023. These revenues support health care, social programs and Canada's high quality of life.
- **Indigenous communities, entrepreneurs and businesses** are a key part of Canada's natural gas and oil industry.
 - o Indigenous representation in Canada's oil and gas workforce is 6%. For comparison, Indigenous peoples make up about 3.3% of Canada's total workforce.
 - o Indigenous businesses and entrepreneurs participate in the oil and natural gas supply chain; this generated \$2.4 billion in revenues in 2021.

OIL AND NATURAL GAS PRODUCTION

