

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



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

World-class production and supply

Canada's competitive energy advantage isn't just about resource wealth. What distinguishes us from some of the larger oil and gas producing countries is that Canada produces our resources with some of the highest human rights and environmental standards in the world. Canada has a unique combination of:

- A commitment to climate change action and capital investment in clean technology innovation;
- Workers with the talent to produce our resources cost effectively and responsibly;
- A stable, democratic system of government;
- And systems in place that ensure financial benefits from resource development are shared across the country



largest producer of natural gas after U.S., Russia, Iran and China
(Source: CAPP Data Centre, 2023)



largest producer of oil after U.S., Saudi Arabia and Russia
(Source: CAPP Data Centre, 2023)

Production in 2022:



5.5 million
barrels of oil/day
(includes condensates and NGLs)



17.3 billion
cubic feet/day of
natural gas



Approximately
80% of Canadian oil
production is exported.

Facts about Canada's oil and natural gas industry:

- Canadian energy can help displace oil and natural gas from **regimes like Russia** and Saudi Arabia; The IEA's World Energy Outlook 2023 reaffirms that global demand for oil and natural gas, currently reaching record levels and growing, will remain strong over the coming decades with 46% share of all energy supply to 2050.
- Canada's oil and natural gas industry partners with 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 oil and natural gas producers have been lowering 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 oil and natural gas industry and the environment

- The industry produces **0.36% of total greenhouse gas emissions** in the world and is working to lower them further.
 - Collectively, outside of the oil sands, oil and gas producers have meaningfully lowered emissions over the last ten years -- while increasing production.
 - The six largest oil sands producers have committed to net zero from operations to 2050
 - Over the past decade, the conventional sector was able to grow total production by 21% while reducing CO₂ emissions by 24%.
 - Over the same period, natural gas production grew 35% while reducing methane emissions by 38%.
- Canada is the first country to put a **methane emissions reduction target** into regulation and the industry is 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.
- Canada's oil and gas sector spent more than any other industry in Canada on environmental protection—\$9.4 billion cumulatively from 2018 to 2020— accounting for 33 per cent of total environmental protection expenditures made by business across Canada in those years.
- Investments in carbon capture and storage, electrification, energy efficiency and other new technologies awaiting deployment can help Canada lead the way to a future that is **both low-carbon and energy secure**.
- 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 from operations by 2050.

Environmental Protection Activities

Capital expenditures on environmental activities by industry (Statistics Canada)



33%

\$9.4 billion cumulatively from 2018 to 2020 Oil and Gas spend

BENEFITS OF A STRONG CANADIAN NATURAL GAS AND OIL INDUSTRY

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

Canada's oil and natural gas industry and the economy

**\$45
BILLION**
in total government
revenues in 2022

Source:
CAPP, 2023

**400,000
CANADIAN
JOBS**
in the petroleum
sector (includes
direct & indirect)

Source: StatsCan,
PetroLMI and CAPP, 2023

**\$40.6
BILLION**
forecasted 2024
capital investment

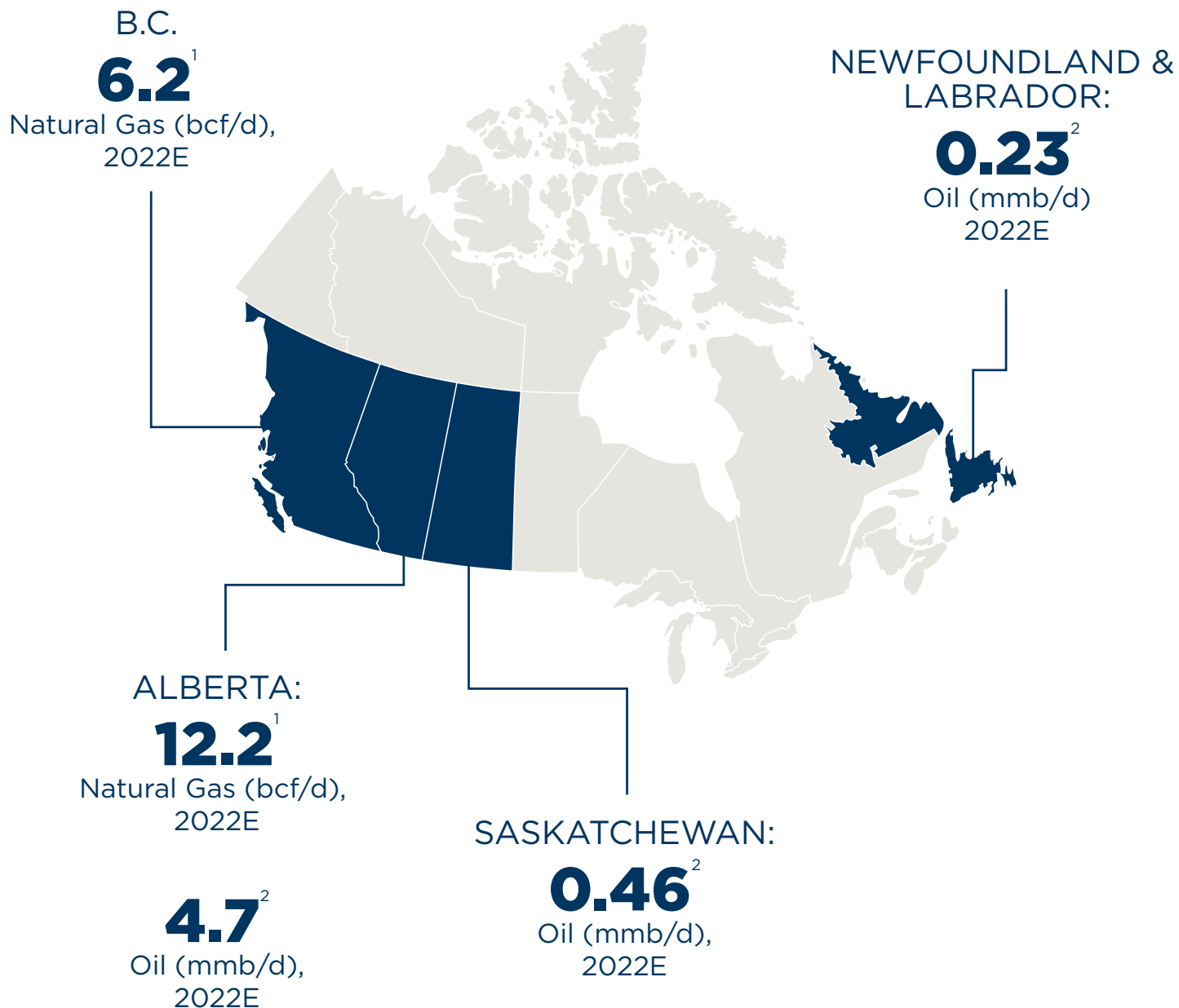
Source:
CAPP, 2024

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

Source:
CAPP, 2021

- The petroleum sector directly and indirectly employs **400,000 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 oil and natural gas operations.
- **Capital spending** in Canadian oil and gas is forecast to slightly rise from \$39 billion in 2023 to \$40.6 billion in 2024.
- **GDP impact** of \$111 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 \$45 billion in revenues through taxes, fees and a world-leading royalty framework from Canada's oil and natural gas industry in 2022. 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 oil and natural gas 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.
- From 2018 to 2021, the industry spent over \$4.7 billion in 140 municipalities and Indigenous Nations through the procurement of goods and services from more than 2400 B.C.-based businesses.

OIL AND NATURAL GAS PRODUCTION



¹ marketable production, source CER

² includes oil sands, crude oil, condensates, pentanes and NGLs