

Unleashing Canada's Energy Potential

CAPP's 2025 Federal Policy Priorities

How our next government can leverage the energy sector for all Canadians



2025

Canada's energy industry: Let's get going

Canada's energy sector is an engine of opportunity, providing jobs, economic growth, and reliable, affordable energy for families and businesses. But the global landscape is shifting rapidly. We're facing geopolitical changes that will redefine energy security, trade, and competitiveness for decades to come.

Canada cannot afford to stand still. The world's demand for energy is rising, and our nation has the people, resources, and expertise to be a global leader in energy production.

In an increasingly uncertain world, Canada must demonstrate that we are ready to compete, innovate, and lead. With the right policies and investment environment, our energy sector can supercharge productivity, strengthen our influence with key trading partners and ensure we remain a powerhouse in the global energy market.

The time to act is now.

The following are **7 Energy Action Points** our next federal leaders can take to secure our future.



Get Competitive



Get Global



Get Strong



Largest producer
of oil.

5.7 MILLION
barrels of oil/day

Statistical Review of World Energy, 2024



Largest producer
of natural gas.

18.4 BILLION
cubic feet/day

Statistical Review of World Energy, 2024

\$94.5
BILLION
in total government
revenues from 2021 - 2023
Source: Statistics Canada

900,000
CANADIAN
JOBS
supported

Source: Statistics Canada
Direct, Indirect and Induced

\$41
BILLION
forecasted 2024
capital investment
Source: CAPP 2024

Get Competitive



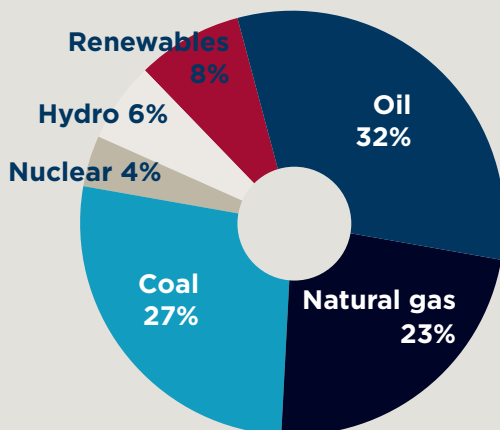
Canadian leaders can help by championing a vision for the oil and gas industry's future, reducing red tape, and crafting common-sense approaches to energy. We can build infrastructure projects that make it easier to access global markets, tariff-proof our economy, and increase our competitiveness at home and abroad.

Canada's complex regulatory environment makes it hard to attract investment in major projects. Uncertain policies, approval delays, and ever-changing regulations are driving investors to other markets.

Energy Action Points

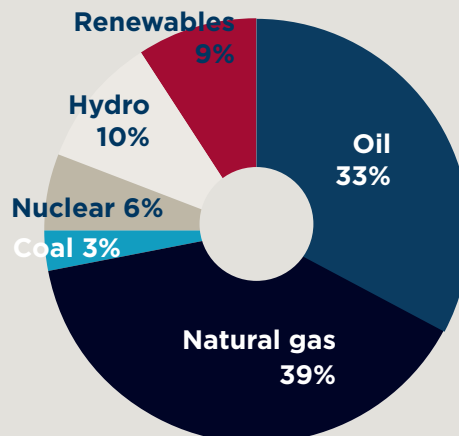
- 1. Clear the roadblocks to building the infrastructure we need to connect Canadian energy to the world.** Pipelines, export terminals and other critical infrastructure projects have been blocked by growth-inhibiting legislation and jurisdictional overreach. The next federal government should repeal the Impact Assessment Act, replace it with a predictable "one project, one assessment" approach, and limit federal interventions in provincial jurisdiction.
- 2. Immediately streamline approvals for major projects already in the federal review process.** This includes expediting ongoing and proposed liquefied natural gas (LNG) projects and ensuring viable access to West Coast tidewater. These projects have proponents ready to invest in Canada. Expediting their advancement and development will build investor confidence and encourage new projects and proponents to come forward.
- 3. Continue advancing emissions reduction technologies to enhance our environmental leadership while keeping energy affordable and competitive.** This includes letting provinces take the lead on any emissions reductions policies and pricing systems in their jurisdictions, supporting innovations such as methane abatement and carbon capture. This also includes aligning our emissions reduction goals with our partners and other allied major oil and gas producing nations.

World primary energy demand (2023)



Source: Statistical review of world energy

Canadian primary energy demand (2023)



Source: Canada Energy Regulator, Canada's Energy Future Data Appendices, Primary Energy Demand, converted to EJ

Over the past decade, approximately **\$280 billion** in Canadian oil and natural gas projects have been cancelled



\$164.1 billion in LNG projects



\$62.8 billion in pipeline projects



\$30.4 billion in oil sands projects



\$22 billion in refinery projects



Countries around the world need secure, responsibly produced energy, and Canada is well-positioned to meet this demand—if we act with urgency. We have a highly skilled workforce, abundant oil and natural gas resources, and strong environmental and safety standards. By acting now, we can build a more prosperous and resilient economy, create jobs, and reinforce Canada’s reputation as a reliable energy partner.

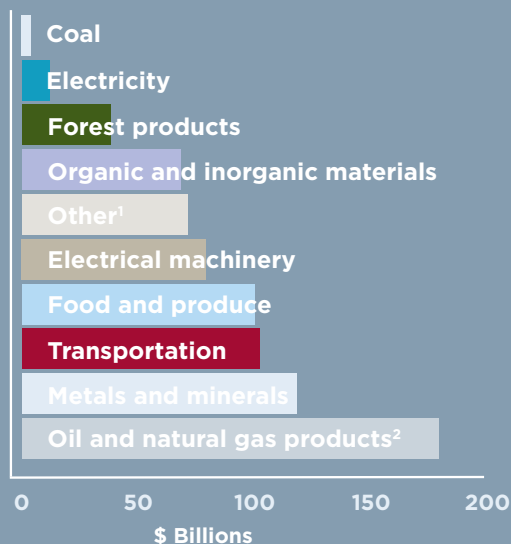


Energy Action Points

4. **Champion oil and natural gas as a critical part of Canada’s economic future.**
Securing new investment and driving new projects is a net-benefit for the entire country, creating well-paying jobs and delivering affordable, reliable energy to our neighbours and around the world for decades to come.
5. **Don’t just build—build with speed.** It’s time to get aggressive in attracting the capital to build nation-building projects and compete with the world. We can show we’re serious by abandoning damaging policies like the emissions cap, the West Coast ban on Canadian tankers (C-48), and the aspects of the Competition Act (C-59) that impede free speech.

Canada’s largest export

Oil and natural gas are nearly 25% of Canada’s \$768 billion in exports



¹Other includes medicine, medical, textiles, and animal products.

²Includes refined products

Source: Statistics Canada, Canadian International Merchandise Trade Web Application

Case Study:

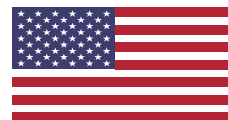
LNG in Canada and the U.S.

In 2015, neither Canada nor the USA were exporting LNG. Since then, the two countries have pursued vastly different approaches to LNG development. The United States has already built significant infrastructure and is now the world’s largest exporter, while Canada’s first major export project still won’t be in operation until mid-2025.



~2.5 bcf operational
or under construction

Vs.



~25 bcf operational
or under construction

Canada has multiple LNG facilities, natural gas pipelines, and upstream production projects proposed or in progress. Expediting the advancement and development of these projects should be a top priority and will help to rebuild confidence in Canada as a destination for energy investment.

Get Strong



A strong oil and natural gas industry isn't just an opportunity—it's a necessity for Canada's economic future and global standing. The moment to act is now. If we fail to strengthen our industry, we risk falling behind, losing prosperity, and weakening our critical geopolitical partnerships.

Canada must seize our leadership role in technical innovation, Indigenous reconciliation, and securing reliable energy for our allies. The world is moving fast—Canada must move faster.

Energy Action Points

6. **Use our abundance of natural resources to strengthen our energy security.** Our energy sector can help Canada calm global energy anxieties. By unleashing our energy to the world, we can improve the energy security of our allies and emerge as a stable, trusted trade partner, ally and advocate for democracy.
7. **Tariff-proof our economy by growing and diversifying market access for Canadian oil and gas.** With increasing threats of tariffs or other negative trade measures we need urgent action to strengthen existing trade relationships and develop new ones overseas.

About CAPP

The Canadian Association of Petroleum Producers (CAPP) is a non-partisan, research-based industry association that advocates on behalf of our member companies, large and small, that explore for, develop, and produce oil and natural gas throughout Canada. Our associate members provide a wide range of services that support the upstream industry.

CAPP's members produce nearly three quarters of Canada's annual oil and natural gas production and provide approximately 450,000 direct and indirect jobs in nearly all regions of Canada. According to the most recently published data, the industry contributes over \$70 billion to Canada's GDP, as well as \$45 billion in taxes and royalties to governments across the country. CAPP is a solution-oriented partner and works with all levels of government to ensure a thriving Canadian oil and natural gas industry.

We strive to meet the need for safe, reliable, affordable, and responsibly produced energy, for Canada and the world. We are proud to amplify industry efforts to reduce GHG emissions from oil and gas production and support Indigenous participation and prosperity.