

## AFL Backgrounder: Northern Gateway impact on refineries in western Canada

Western Canada Refinery Throughput	2011 Refinery Throughput	2018 Forecast By Enbridge	Percentage Change
Conventional Light-Medium	173,000	110,100	-36.36 %
Synthetic Sweet	245,900	205,000	-16.63 %
Heavy Crude, All Grades	199,000	152,400	-23.42 %
<b>Total Barrels Per Day</b>	<b>577,000</b>	<b>508,400</b>	<b>-11.89 %</b>

There will be a 5 per cent or 46,000 barrels per day reduction in refinery activity between now and Northern Gateway Pipeline: 5 per cent or 46,000 barrels per day.

2011 – Total Canadian Refinery Market Demand for Western Canadian Crude Oil	2018 – Forecast Canadian Refinery Throughput of Western Canadian Crude Due to Northern Gateway
876,000 barrels per day	830,700 barrels per day

The Conference Board of Canada recently modeled reductions in refining activity in Canada.

A 5 per cent reduction in refinery output in Canada such as that envisioned by Northern Gateway in 2018 and 2019 means:

- A loss of at least 8,000 jobs
- A reduction in real GDP, across the entire Canadian economy, of \$750 million
- A loss of \$100 million in personal income tax revenues to government, due to job losses
- A loss of \$100 million in corporate income tax revenues to government
- A deterioration in Canada’s current account balance by roughly \$800 million

### Sources:

#### 2011 Refinery Throughput Statistics:

Canadian Association of Petroleum Producers, “Crude Oil Forecast, Markets, and Pipelines,” June 2012. *Section 3.1.1 – Crude Oil Markets, Market Demand for Western Crude Oil, 2011.*

#### 2018 Refinery Throughput Forecast

Enbridge Northern Gateway, “Market Prospects and Benefits Analysis for the Northern Gateway Project,” July 2012. Attachment 1 to Northern Gateway Reply Evidence prepared by Muse, Stancil & Co for Enbridge. *Table A-19, Canadian Refinery.*

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