Why Canada Needs New Pipeline Capacity To Tidewater

7 reasons Canada needs additional pipelines.

**WORLD ENERGY NEEDS**
World energy demand will grow by about 33% between 2015 and 2040. While the use of renewable energies is expected to increase rapidly, so will oil usage to meet this growing energy demand.

**HIGH DEMAND IN ASIA**
Asia’s population and income growth is expected to rapidly increase its demand for oil over the next 20 years, particularly for vehicle transportation.

**DECLINE IN U.S. DEMAND**
Market analysts predict that the U.S. demand for imported oil will decrease from 60% in 2005 to 7% by 2040 due to the maturity of the U.S. economy and its saturated vehicle market.

**OUTLOOK FOR CANADIAN OIL**
The Canadian Association of Petroleum Producers projects production growth of 600,000 barrels of oil per day from 2015 to 2020, which is the equivalent to the size of a major proposed pipeline project.

**COST TO TRANSPORT**
Canada has a proximity advantage over the Middle East and Africa for exporting oil to Asia, making it cheaper for China to transport oil from Canada.

**GETTING PRODUCT TO THE RIGHT MARKETS**
Our current pipeline system is primarily reaching the U.S. market, which is anticipated to shrink. New pipelines will enable Canada to reach new markets.

**ECONOMIC PROSPERITY**
Oil production and exports make a huge contribution to Canada’s economy. The oil and gas sector directly contributes 8% of our GDP and generates $22 billion a year in taxes. In 2014, it accounted for 17.5% of all Canadian merchandise exports, generating $92 billion in revenue.

By 2040, Canadian production is expected to be the 3rd highest in the world, after Iraq and Brazil.