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## Changing environmental tide demands B.C. place a lobbyist in Washington

BY MIRO CERNETIG, VANCOUVER SUN APRIL 13, 2009

Suggesting the B.C. government needs another highly paid lobbyist at taxpayers' expense is about as popular as proposing a pay raise for politicians.

Lobbyists are out of fashion. They're seen as wasters of money. But we actually need one -- in Washington, D.C.

Premier Gordon Campbell's prime directive has been to put our trade representatives in Asia, to promote the province's and Vancouver's interests across the Pacific. There's nothing wrong with that long-term strategy, particularly given the probability China will lead us all out of global recession.

But for all its promise, Asia remains our number two trading partner. Number one, and likely to remain so, is the United States. How many trade reps do we have in Asia? Six. How many in the U.S.? One, in California.

This is a concern because U.S. President Barack Obama is subjecting the Canada-U.S. trading relationship to its greatest overhaul in a generation. Not since the days of the free trade and softwood lumber negotiations have the stakes been this big.

Protectionism is on the rise in Congress. Odds are good the White House's new climate change agenda, a massive reallocation of public and private resources to combat global warming and stoke a green technology boom in the U.S., will morph into a trade barrier to favour the American interest.

It's called the carbon tariff threat. It works something like this: Obama is asking Congress to start a \$645-billion "cap and trade program." This is essentially a system that will allocate permission certificates to U.S. companies to emit carbon dioxide.

But those companies that reduce CO2 emissions below assigned targets will be able to sell their carbon-pollution permissions, at a profit, as "carbon credits" to those that don't reduce their carbon footprints. It's the birth of carbon trading. Experts expect it to be a \$100-billion-a-year industry in North America by the end of Obama's term.

It's serious news for anyone who exports to the U.S. That's because the U.S. will start assessing the carbon footprint of its trading partners, too.

So, if the U.S. government doesn't recognize our own domestic efforts to reduce our carbon footprint, we will be forced to balance out our carbon sins by purchasing carbon credits. Guess which ones Uncle Sam will favour? Yup, those U.S.-made carbon credits Obama is dreaming up.

How serious is this? Well, the Alberta government, mired in its own recession, sees it as a game changer. Alberta's oil-sands projects, which have a greater carbon footprint than conventional oil, could be facing billions of dollars in "carbon credit" purchases.

Alberta's Premier Ed Stelmach announced a few days ago his province will spend \$500,000 a year on two high-powered lobbyists -- former U.S. ambassador to Canada, James Blanchard, and Paul Frazer, a former minister of public affairs at the Canadian Embassy in Washington.

"There's so much at stake for Alberta, and we'll be applying a full-court press not only on elected officials but also on the U. S. administration," the premier explained. "It's important that Alberta has a way of ensuring the right information gets to the policy-makers and the decision-makers."

What does this have to do with British Columbia? Lots.

This province's future export industries -- natural gas production, biofuels and hydro electricity from run-of-river projects or more conventional dams -- will all be scrutinized under the prism of Obama's new carbon-trading system. The United States' interest will be in overestimating our industries' carbon footprints and underestimating B.C.'s innovations to reduce greenhouse gases. If that happens, our key industries will be at a disadvantage for decades.

That's why B.C. needs a lobbyist in D.C. Now.

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