



# News Release

## ***Expert Panel cautions an increasingly complex energy environment will test the resiliency of Canadian businesses in the future***

**Ottawa (October 16, 2014)** – A new expert panel report, ***Energy Prices and Business Decision-Making in Canada: Preparing for the Energy Future***, released today by the Council of Canadian Academies, details how Canadian businesses have historically been successful in responding to fluctuating energy prices, but this should not be considered a predictor for future resiliency or competitiveness. The energy environment is evolving with advances in oil and gas extraction, the development of alternative energy sources, changes within the electricity market, and new regulatory requirements. Understanding the implications of this complex energy environment and global pressures are critical for future business resilience and success.

A 13-member expert panel reached their findings by considering the results of an extensive survey of 1,000 Canadian firms, assessing sector profiles on past resiliency, and reviewing Canadian and international research on how firms react to changing energy prices. The specific sectors examined were the energy intensive and resource-based manufacturing and transport sectors; the capital intensive oil and gas, mining, and electric power sectors; and the transport equipment sector.

The Panel's main findings include:

- **Exposure to energy prices varies by sector. A firm's strategy depends on whether it is energy intensive, capital intensive, or produces energy-intensive products.**
- **Firms have successfully adapted to energy price changes in the past, but there is no guarantee that this resilience will continue into the future.**
- **Canadian firms are unlikely to suffer significant adverse competitiveness impacts as a result of higher global energy prices.**
- **A majority of firms (66%) reported that controlling energy costs was important for competitiveness.**
- **Increased preparedness in exposed sectors would mean greater resilience and better adaptation should energy prices change.**

"When considering how best to protect firms from volatile energy prices in the future, our Panel determined that increased preparedness is key," said Fred Gorbet, Chair of the Expert Panel. "Appropriate and timely information, benchmarking data and specialized personnel will all help Canadian firms as they seek to better prepare and respond to increasing energy prices."

## **About the Council of Canadian Academies**

The Council of Canadian Academies is an independent, not-for-profit organization that began operation in 2005. The Council undertakes independent, authoritative, science-based, expert assessments that inform public policy development in Canada. Assessments are conducted by independent, multidisciplinary panels (groups) of experts from across Canada and abroad. Panel members serve free of charge and many are Fellows of the Council's Member Academies. The Council's vision is to be a trusted voice for science in the public interest. For more information about the Council or its assessments, please visit [www.scienceadvice.ca](http://www.scienceadvice.ca).

### **For more information please contact:**

Samantha Rae Ayoub  
Senior Manager, Communications  
Council of Canadian Academies  
613-567-5000 ext. 256  
[samantha.rae@scienceadvice.ca](mailto:samantha.rae@scienceadvice.ca)