



Canadian Labour Congress

Congrès du travail du Canada

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THE COUNCIL OF CANADIANS



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Drawing from **GREEN, DECENT AND PUBLIC**, a joint report by the Canadian Labour Congress and the Council of Canadians, this is one of a set of four fact sheets. These fact sheets aim to inform and activate actions supporting green job creation in Canada – check out the ‘**TAKE ACTION**’ section!

**1. Opportunity in Crisis: Decent Green Jobs** **2. Energy Efficiency and Renewable Power Potential** **3. Public and Community Ownership Examples** **4. Advantages of Public and Community Ownership**

## 4. ADVANTAGES OF PUBLIC AND COMMUNITY OWNERSHIP

### ECONOMIC REVENUES FOR PUBLIC PURPOSES

When renewable energy projects are in public hands the revenues earned can be used for public good and redistributed. The financial benefits stay local when revenues are used to create more green jobs, promote conservation or fund other social priorities.

On the other hand, when power generation is owned by corporations, revenues go to CEOs and shareholders – sometimes even out of country. When corporations own renewable power the revenues do not go to retrofit public buildings (hockey rinks, city halls, public housing, libraries, schools and hospitals) or put solar panels on roofs – instead, the money goes in corporate pockets.

### SOCIAL BENEFITS

Public agencies make it easier to regulate in the public interest. Public utilities are accountable to elected politicians (who, in turn, are accountable to their constituents). Corporations are accountable to the bottom line, their actions and decisions are guided by the interest of making profits.

Public renewable energy jobs are far more likely to be represented by a union and pay higher wages than the private sector. Public ownership can more easily be combined with training programs for local employment targeting workers that have lost jobs and marginalized communities. When renewable energy is in public hands we can ensure a share of the inputs are “Canadian made,” creating more jobs.

#### DID YOU KNOW?

ONE U.S. BASED STUDY INDICATES THAT LOCALLY OWNED SMALL WIND PROJECTS PRODUCE NEARLY 10 TIMES AS MUCH ECONOMIC ACTIVITY AS OUT-OF-STATE COMPANIES.<sup>1</sup>

#### DID YOU KNOW?

COLUMBIA HYDRO CONSTRUCTORS, THE CONSTRUCTION ARM OF B.C. HYDRO, IMPLEMENTED EMPLOYMENT EQUITY PROGRAMS IN THE LATE 1990S THAT PROVIDED TRAINING AND OPPORTUNITIES FOR TRADITIONALLY MARGINALIZED GROUPS.

### MAKING CONSERVATION A PRIORITY

The cleanest energy is the energy we don’t use – we need to make our energy use more efficient, and we need to use it less.

In being held accountable and measuring success not only through profitability but also through achieving social, economic and political objectives, public and community-owned power provides means to prioritize increased conservation. A number of public utilities have used integrated resource planning and Demand Side Management Programs to encourage decreased and more efficient use of power.

Higher cost power with greater private ownership (with negative social impacts on low income Canadians) doesn't necessarily mean decreased use of power. When power generation is under private, for-profit ownership, there is tension between the objectives of reducing demand and maximizing profit opportunities (either through selling more or selling at increased costs).

### DID YOU KNOW?

REGULATED SYSTEMS WHERE POWER PRICES ARE BASED ON THE LONG-TERM COSTS OF PRODUCING POWER, CREATES INCENTIVES FOR UTILITIES TO CONSIDER CONSERVATION ON EQUAL FOOTING WITH BUILDING NEW POWER GENERATION.<sup>2</sup>

## ENSURING ENERGY SECURITY

Energy security (available supplies of affordable energy) is necessary for the well-being of individuals and communities. Provincially owned utilities in Canada have had a primary mandate to provide reliable electricity within provincial boundaries at an affordable price and ensure adequate supply. Governments have had the authority to direct publicly-run utilities to prioritize domestic needs.

When utilities are privately-owned, trade rules under the North American Free Trade Agreement (NAFTA) kick in. Private investors have significant rights under NAFTA that can constrain how a government can intervene in the interests of ensuring energy security (should a for-profit company decide to maximize profits by sending power South to the U.S.) and the highest environmental standards.<sup>3</sup> NAFTA's Chapter 11 allows corporations to sue governments for policies and decisions that impact their ability to make profits. Approximately half of the Chapter 11 cases filed so far are aimed at government policies protecting the environment or managing natural resources.<sup>4</sup>

## TAKE ACTION: KEEP IT PUBLIC! GREEN JOBS NOW!

**Talk to your municipal councillor:** Is your municipality "greening" municipal buildings? Is there a municipal energy retrofitting program, does it target low income households? Are there plans to own renewable power projects?

**Talk to your provincial government representative:** What are provincial plans for reducing reliance on fossil fuel generation and expanding public and community ownership and control of renewable energy generation? Is there a provincial retrofit program?

**Talk to your federal government representative:** Do they support a national plan for green house gas emission reductions and a national municipal retrofitting program? How are they ensuring an end to federal subsidies for fossil fuels, tough energy efficiency standards and financial support for public and community-owned renewable energy projects?

*Tip: There is a list of policy recommendations in Green Decent and Public that will improve energy efficiency and support public and community ownership. For more information about this topic, or to read the full report, Green Decent and Public please visit: the Council of Canadians at [www.canadians.org/GDPReport](http://www.canadians.org/GDPReport) and the Canadian Labour Congress at [www.canadianlabour.ca](http://www.canadianlabour.ca)*

## NOTES

Endnotes for this factsheet can be found online at [www.canadians.org/GDPReport](http://www.canadians.org/GDPReport)