

Speaking Notes

For

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CHECK AGAINST DELIVERY

Good afternoon,

I always enjoy talking to people about Canada's nuclear industry, but am particularly pleased to be speaking at the 2011 Canadian Legislative Conference of the Building and Construction Trades, because the role of your trades is so large in our industry.

The Canadian Nuclear Association represents over 95 members from the entire spectrum of the nuclear industry – electricity producers, manufacturers, uranium mining and fuel processing, engineering and universities and labour unions.

In fact, we have labour union representation at our board level, where critical decisions about our industry and future endeavours are made.

As an association, our work includes being active with Governments and encouraging all levels to recognize the value our industry brings to Canada: a clean energy source, revolutions in nuclear medicine, and the creation of highly skilled jobs across several sectors. The list goes on.

We have been successful in our efforts largely due to strong partnerships, including that with the construction and building industries. Our strong history of collaboration will undoubtedly only strengthen in the future.

I often talk about building a village and the importance of partnership and collaboration with stakeholders and industry. As you are all well aware, no industry, union or organization can be successful if they operate alone.

If I can use a building analogy, your industry is the bricks and mortar to Canada's nuclear village. Our facilities are major infrastructure investments. We aren't just engineers and scientists; we are concrete and steel. Without you, our village would not be complete.

However, it will come as no surprise to anyone in this room that we have both faced challenges.

Your industry, like so many others, has been greatly affected by the economic downturn, and has faced economic instability and heightened unemployment in recent years. You have met your current challenges with great resilience, and will undoubtedly emerge stronger for it.

Recently, the nuclear industry was challenged by the tragic incident at the Fukushima nuclear power plant in Japan. Our industry, which supports 71,000 Canadian jobs, has been working tirelessly to help our Japanese counterparts and derive any lessons learned to improve upon our own safety here in Canada, as we always do.

While we all know that there is no such thing as absolute safety, Canada's fleet of reactors **is safe**. Each structure is designed and built to seismic standards – despite being located on areas with low seismic activity and virtually no risk of tsunami.

Safety has always been – and continues to be - the number one priority for our industry. The nuclear safety culture goes beyond geographical boundaries. It is truly global.

While this was a major shock to our industry, it is **not** a setback. We continue to improve as our industry forges forward.

As many of you know, the Ontario Government has committed to the refurbishment of reactors at Darlington as well as new builds.

These exciting projects will bring new revitalization not only to our industry and yours, but the Ontario and Canadian economies.

To give you some concrete numbers, an independent report released by the Canadian Manufacturers & Exporters stated that refurbishing nuclear facilities at Bruce and Darlington will support 25,000 jobs and inject \$5 billion into the Ontario economy annually for a decade – with more than 15,000 jobs continuing thereafter.

It **will** generate many needed jobs and will leave us with better infrastructure that will serve our households and industries for another generation.

In a breakdown of the capital cost of the refurbishment, the report estimates the portion of construction labour to be 40% of the refurbishment cost, at approximately \$800 million. The economic impact of refurbishing these facilities represents a major boost to our economy at a time we will need it most, including many years of good work for your members.

These projects would simply not be possible without the construction and building industries. You will, in fact, play an instrumental role in the future of nuclear in Canada.

Also encouraging is the fact that governments are recognizing the benefits of nuclear, and the role it will play into the future. Just last year, the Ontario Government's Long-Term Energy Plan acknowledged these benefits and the need to move forward with refurbishing existing plants and building new CANDU nuclear units.

Clearly, there is much at stake for all Canadians here. The time is **now** to invest in Canadian infrastructure, Canadian knowledge, Canadian technology and our most important asset; Canadian people.

Environment

Let me switch gears for a moment and talk about the environment.

As many of you may know, nuclear power being produced is virtually emissions free. If we did not have the nuclear power plants we have in Canada today, and instead relied on fossil-based electricity for that output, our country would generate an additional 90 million tonnes of greenhouse gases every year.

That would add about 12 percent to our annual greenhouse gas emissions.

Further replacing fossil-based energy with nuclear energy can have a very positive impact as we strive to lessen our country's, and the world's, carbon footprint.

Nuclear's low emissions, low fuel costs, and low real estate needs were already attractive to many countries before we started talking about either capping carbon emissions, or putting a price on them.

As energy demands increase and we move towards a carbon-constrained world, nuclear energy has a role to play in Canada and abroad. As developing countries look to sustainable and renewable fuel sources, nuclear is a clear choice.

It is virtually emissions free, is affordable and can **help create quality jobs** at home and in developing countries that will stimulate an economy rooted in innovation and research. It also builds durable infrastructure. That means work not just for scientists, engineers and technicians but also for boilermakers, pipefitters, truck drivers and carpenters.

But back to the environment: there is more at stake here than emissions from the plants themselves. Construction methods have greatly changed since nuclear plants were last developed in Canada.

In today's economy, incorporating sustainable construction techniques into large infrastructure projects is no longer a bonus, but an expectation.

As an industry, no one is better suited to do this than you are. The highly skilled workforce has been at the global forefront of green construction and building technologies.

This expertise will be crucial as we refurbish and construct new nuclear plants. Your industry will deliver the critical knowledge and skill that will be essential to nuclear's future.

R&D

Now let me talk about innovation. It's a subject I know you all care about, because it drives productivity and ultimately, contributes to our income levels and economic opportunities.

Most of us have an appreciation for research and development, and how important the international exchange of talent and knowledge is in these advances. Let me talk briefly about some of the more specific benefits of nuclear research and development.

Nuclear R&D – particularly our larger facilities that can do neutron beam testing -- supports materials and product improvements, medical products and services, training and development of scientists and engineers, and other activities of high value to an advanced economy. This benefits industries far beyond the nuclear sector alone.

In fact, many of these advances are and will continue to positively impact the building and construction industries.

For example, the steel-maker IPSCO recently undertook a project to improve the safety and lower the cost of Canada's highway bridges. Having produced longer, wider and thicker steel plates from coils than previously possible, IPSCO had their material tested using neutron diffraction to measure stresses through the full thickness of the steel.

The use of these plates for bridge girders will reduce their cost and increase the safety and longevity of Canada's highway bridges.

This is just one of many examples that speaks to the many benefits of nuclear R&D to Canadian and worldwide industries.

Conclusion

With that, I want to thank you again for inviting me to be here this afternoon.

I truly believe that the continued partnership between industry and labour is a key component to our mutual success.

There are several exciting projects on the horizon that will call upon this partnership, and I can enthusiastically say, create thousands of jobs for you.

As we look forward, the CNA will continue to advocate to stakeholders and government the importance that investments in infrastructure be made here in Canada, and that we use the great resources, industry, skills and technology we have available to us.

We will forge our own path forward and continue to develop highly-skilled jobs for a strong and sustainable economy of tomorrow.

With that said, I would like to thank you for being the bricks and mortar in Canada's nuclear village. And thanks for giving me the chance to talk with you today. I would be pleased to take your questions.