

Notes for a Speech by

The Honourable Gary Lunn, P.C., M.P.
Minister of Natural Resources

to the

Canadian Nuclear Association

Ottawa, Ontario
February 27, 2008

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Well thank you very much.

It is my pleasure to be here tonight to open your conference and discuss our government's vision for your industry and your path forward. It's no secret that this country has the potential to be an energy power house. Our energy resources are the envy of the world but our ability to produce clean energy is what is important.

Many of you here tonight have heard me say that I strongly believe that nuclear will play a critical role in developing a clean energy future for Canada. Why is that? We've got rising prices, we've got ongoing uncertainties in the global oil and gas marketplace, and of course the environmental concerns surrounding fossil fuels.

All this means that new builds are back on track both here in Canada and abroad. Something that I've been looking forward to.

In terms of climate change, Canadians recognize that we have to be a lot more efficient. Technology is going to play a key role. I believe that if we are to succeed, Canada must be at the forefront of clean technologies to reduce both pollution and greenhouse gases.

In yesterday's budget we made a substantial, targeted investment in key technologies. We have announced that we're investing \$250 million for the world's first clean coal project that's fully integrated with Co2 technology. This has never been done in an integrated fashion before, it's something we're very proud of.

But we're also investing \$300 million to support nuclear energy. These funds will support the ongoing development of the ACR and ensure AECL has the capacity to maintain safe, reliable operations at its Chalk River laboratories. Nuclear power generation is safe, it's clean, and it's emission-free. It's based on Canadian technology, and it's using a Canadian resource. I can't think of a better way to demonstrate our confidence in Canada's nuclear industry.

When we talk about nuclear issues, we have to look at the impact of the prolonged shutdown of the NRU this past December. This challenge drew much attention to the nuclear industry in Canada. And for the first time in a long while, Canadians are actively engaged in thinking about where Canada's nuclear industry is going.

Your industry is important in so many ways, and the government of Canada has serious responsibilities where nuclear is concerned — responsibilities both to your industry and to all Canadians. When Canadians started to ask questions about what the government of Canada was doing about the nuclear industry, we had answers. We had answers because we had a clear vision for your industry and we've been moving toward that for some time.

Now as I mentioned earlier, we announced \$300 million that we're committing to AECL in the budget. This is not just the beginning — it's the next important step to realizing our four key objectives.

First and foremost, maintaining the safe and secure operation of the existing fleet. Second, ensuring that nuclear power continues to be a viable option in Canada's electricity mix. Third, ensuring that Canada's industry has a maximum opportunity to benefit from the global expansion and the use of nuclear energy and nuclear technologies. And finally, we must be effective, responsible and accountable managers of the federal investment in nuclear technology.

Now in the first instance, you know that safety and security are the responsibility of the operator. This also requires an independent regulator to hold industry to the highest standards. We need a regulatory process that's efficient. As you know, a new build involves years and years of planning and billions of dollars of investment. Investors have to have confidence in the regulator, and they have to know the rules of the game.

That's the job of the Canadian Nuclear Safety Commission. But the government has its own responsibilities for safety. We provided \$45 million this fiscal year to ensure that Chalk River laboratories can meet all of its CNSC regulatory requirements. New funds committed in yesterday's budget will add to that figure.

I've introduced a new and long overdue *Nuclear Liability and Compensation Act*, which will bring the cap of the liability of nuclear operators up to modern-day standards again and bring clarity to the rules. In order to ensure that nuclear energy remains a viable and a growing energy option, we must address the public concerns around nuclear power.

This is why, since becoming the Minister of Natural Resources, I have accepted the Adaptive Phase Management Plan recommended by the

Nuclear Waste Management organization. I've also taken steps to clean up legacy sites. As many of you know, one of my first actions as the Minister of Natural Resources was to announce over \$500 million for AECL to deal with its legacy liabilities.

Now when it comes to the third objective, maximizing the opportunity for Canada's nuclear industry, we need to be clear on the role that AECL will play. With the ongoing consolidation and vertical integration of the global industry, we have to consider all the options for the future structure of AECL.

This is why I have launched a review of the corporation and appointed a new CEO and chair of the board for AECL. There's been a lot of speculation where this review may lead. I can only say that all the options are on the table. We want as much information as we can get so we can make the best decisions for AECL, for the Canadian nuclear industry and for all Canadians.

Certainly the ACR is a key element. Not just for AECL but for every single one of you involved in Canada's nuclear power industry. We've made it clear in the budget, we want the technology to succeed and we want to help AECL to be in a position of strength, to seize the opportunities in front of it as the market demands clean energy options and those opportunities continue to grow.

Now going forward as a responsible government, we have to manage Canada's resources prudently. We have to ensure that support for nuclear is proportionate and balanced against other priorities. But we must also understand the potential long-term gains and the importance of capitalizing on the strengths we have built up over the years.

Through our past and ongoing investments, we have built a unique national asset and helped to create an industry that has the potential to be a major player. We have the competitive strength, and I am committed to creating the conditions that will allow this industry to build on that strength in the future.

As a government, we have shown that we're not afraid to tackle the tough issues with the nuclear file. These issues have been neglected for far too long. We are making the key investments, and I am proud of all the decisions that we have made to date.

But there is more to be done. I have outlined what our government is doing, now it's your turn to seize the moment. Our country leads the world in uranium production; we have our own Candu technology; we are seeing new build opportunities both in Ontario and New Brunswick. We have a brilliant workforce that is second to none. You can be the best in the world.

But to capitalize on this opportunity, you have to cultivate an environment where Canadians look to nuclear power to create clean power. You also have to initiate managing your own corporate reputation when it comes to your industry. I believe this is essential.

With some of the country's brightest and most innovative individuals in this room tonight, I have absolutely no doubt that you will rise to this challenge. You can count on my support to work with you. I have absolutely no doubt we will succeed together. Thank you very much, and I wish you a very successful conference.