

ЕКОНОМІКО-СОЦІАЛЬНІ ВІДНОСИНИ В ГАЛУЗІ ФІЗИЧНОЇ КУЛЬТУРИ ТА СФЕРІ ОБСЛУГОВУВАННЯ

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ECONOMIC IMPLICATIONS OF THE KEYSTONE XL PIPELINE PROJECT: AN ANALYSIS FROM CANADA'S PERSPECTIVE

Tamara Pastukh
Student

Algonquin college
Ottawa, ON (Canada)

The Keystone XL pipeline project, a proposed extension of the existing Keystone Pipeline system, was designed to transport oil from Alberta, Canada, to refineries along the Gulf Coast of the United States. Despite its controversial cancellation, the project's potential economic benefits for Canada warrant a comprehensive analysis. This study aims to identify and discuss the industries within Canada that would have been directly or indirectly impacted by the project's realization.

The primary objective of this paper is to elucidate the potential economic benefits of the Keystone XL pipeline project for key Canadian industries. This includes an assessment of how the project could have fostered growth, enhanced global competitiveness, and stimulated job creation across various sectors.

Our findings indicate that the mining industry, particularly those involved in oil drilling and extraction, would have significantly benefited from the increased production and transportation capacities offered by the KXL pipeline. Companies like Suncor Energy Inc. and Canadian Natural Resources Ltd. were positioned to gain from improved access to Gulf refineries, making drilling in Alberta more economically attractive (Koenig, D., 2017). Additionally, the construction sector was expected to see substantial growth, with TC Energy awarding contracts worth over \$1.6 billion for pipeline construction in Alberta alone (Over \$1.6bn contracts awarded to six contractors for the Keystone XL Pipeline., 2020). Financial and insurance industries were also likely beneficiaries, with institutions like JPMorgan Chase and the Bank of Montreal playing pivotal roles in financing the project (Marr, G., 2020). The professional services sector, including engineering and environmental consulting, along with the manufacturing industry, involved in the production of construction materials and equipment, were also identified as potential beneficiaries.

The analysis underscores the breadth of economic benefits that the Keystone XL project could have brought to Canada, spanning various industries. While the direct impact on the oil and gas sector is evident, the ripple effects

on construction, financial services, insurance, professional services, and manufacturing highlight the project's potential to contribute to holistic economic growth. However, these benefits must be balanced against environmental considerations and opposition from various stakeholders.

Although the Keystone XL pipeline project did not proceed, its potential economic impacts on Canada's economy provide valuable insights into the complex interplay between large-scale infrastructure projects, industry benefits, and environmental sustainability. The findings underscore the need for a balanced approach to energy development that considers economic growth, environmental protection, and social responsibility.

Reference

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