

Video Transcript
Property Rights Under Threat
Frontier Centre for Public Policy 2014

(Graphic text open)

Property Rights Under Threat Frontier Centre for Public Policy

(Audio)

My name is Paul Einarsson; I'm the Chairman of Geophysical Service Incorporated. We used to have two ships, multiple offices, 250 employees, but the government has taken that all away from us now.

(Graphic text)

GSI collects seismic data and licenses it for use in resource exploration. For many years, Canada, Nova Scotia and Newfoundland have required that this seismic data be submitted, for regulatory purposes. But now, those governments have started releasing this data publicly on the internet for anyone to download and use. If the government gave your work away to your customers for free, what would you do?

(Audio)

We're in the seismic business and most people are familiar with a sonogram or an ultra sound. That is the same technology that we use in our business and was actually derived from our business. It's used to image the earth in our case down for twenty, thirty thousand feet for oil and gas exploration.

Many famous discoveries that a lot of Canadians are familiar with such as Sable Island, Hibernia, Amauligak up in the Beaufort Sea, these were imaged by GSI and that data was used to find those discoveries.

We're in the information business. So we collect this data at great expense. It takes hundreds of millions of dollars of equipment, very skilled people, scientists to plan, locate, collect this data properly, process it properly so that it's in a useable format and that's what we do. And then we license this data out to individual oil companies and that's how we make our living.

So in Alberta for example, if you invest in a seismic survey, you pay your application fees and so forth, and the data is confidential, you keep it forever. You trade with it, you license it, you can use a brokerage system that is prevalent in Alberta.

But offshore we have been required to submit data to the offshore boards. That's the National Energy Board, the Newfoundland offshore petroleum board, and the Nova Scotia offshore petroleum board. We did not object to this being used by the government for regulatory purposes.

Where it became a problem is they started allowing people to view this information outside of the owner of the data's control, they said oh absolutely not, we will not disclose this information and this is what they told industry. Sure enough a few years later they come out with a plan that they want to disclose this information.

And even worse they've added more. They want to take the raw data that we collect on our ships, that's in digital format. It is not processed and release that too because that is the information that you need to re-process the data and it is the most valuable, original product.

That's what we call expropriation. These are the exact products that we license to our customers. In order to keep those ships running, to keep all these employees employed, and the cost of making the payroll every two weeks, which was substantial, you have to have the income from data licensing and they have systematically, these governments, undermined that.

By making these pronouncements that the data can be obtained from them for free, at the click of a mouse, as Minister Dunderdale loves to say how convenient it is, the damage they've done to our business has been dramatic.

We used to have 250 employees, many of them from Atlantic Canada, Nova Scotia and Newfoundland. Those families no longer have the work that we provided. We used to work all over the world, we had two ships, we paid all of our duties and taxes and so forth here in Canada, we no longer have those, that division of ours is gone out of business.

You know I hear Premier Dunderdale explain to me in the papers, that what she's doing, oh I understand Paul is just trying to protect his data but sometimes the greater good is more important, it's going to be good for everybody so these few people over here, are going to be singled out, we're going to punish them or take everything they have, but it's going to be better for everyone else.

Uh, nowhere in history has that ever worked out very good for anyone. And those policies are in my opinion very destructive. It's the wrong way to do things. It's the wrong direction for this country, it's only going to make the economy worse, not better. Because people are going to be afraid to create, to invest, to do anything.

And we want to get this issue resolved, we want justice. We want a positive precedent set for Canada and all Canadians, and all Canadian businesses. So that they don't have a fear that it will be taken from them, that the rules will change and the rug will be pulled out from under them.

We want to promote property rights and make this, make Canada a good place to do business.

(Graphic text)

GSI's business has been devastated and the Einarsson family has suffered greatly from the stress, worry and loss of income. Meanwhile, investors and employees have lost faith in the ability of the Canadian government to protect citizens and uphold the law. But they are still fighting for the sake of others...GSI has initiated more than 35 different court cases, including the largest Copyright case in Canadian history, to be heard in 2014.

"It's the principle. I want to see it through because I want justice to be done. I don't want somebody else to have to do this. I want to teach these guys a lesson that they can't do this to Canadians." –Paul Einarsson, GSI Chairman

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Produced by Peter McCaffrey for the Frontier Centre for Public Policy.

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