



Why This Could Be a Great Sign for the Trans Mountain

Description

The Trans Mountain pipeline has been a very controversial topic, especially between Alberta and B.C., where the governments have been battling over the project.

There has been a lot of back-and-forth surrounding whether the pipeline will be built. Although there was word back in August that construction could [resume](#) on the project, earlier this month we learned that there would be [more appeals](#) that the pipeline would have to face. And with an election coming up, the Trans Mountain is going to be an important topic for many voters.

Poll suggests the majority of Canadians support the Trans Mountain

According to polling data from the Angus Reid Institute, 53% of the respondents in a recent survey said they would like to see the next federal government to build the Trans Mountain expansion compared to only 24% that wanted to have it stopped. The remaining 23% were undecided. As for Justin Trudeau's overall track record when it comes to pipelines, 42% of respondents believed that he was "doing too little to build new pipeline capacity for Canada's oil and gas industry." Meanwhile, 31% believed the opposite and that he was actually "pushing too hard to build more pipeline capacity."

The polling data is consistent with what we've seen and heard with regards to the Trans Mountain: it's been a very dividing topic. These numbers are positives for the oil and gas industry, as it suggests that there is still a lot of support for the industry, even amid environmental concerns. The lack of a strong oil and gas industry in Canada has made things challenging in Alberta, where companies have been cutting jobs and getting leaner to remain competitive.

If the polling numbers translate into strong support for a more oil- and gas-friendly government at the next election, that could be big news for the industry. The results showed that even outside Alberta, with the exception of Quebec, there was a lot more support than opposition to the Trans Mountain.

Does this mean it's time to buy oil and gas stocks?

Enbridge ([TSX:ENB](#))([NYSE:ENB](#)) investors would be happy to see more support from the federal government with respect to pipelines and the industry as a whole. It's been a struggle for the company to generate much momentum in its share price, and the one thing that could certainly change that is if investors had more reason to be excited about the future.

Under the current Liberal government, there hasn't been much enthusiasm for investing in the oil and gas industry. There have been simply been too many obstacles and even though companies like Enbridge have been performing well, the uncertainty around pipelines and the success of the industry has kept share prices down.

That bearishness is one of the reasons that Enbridge is paying a dividend of well over 6% per year, as dividend hikes have continued to take place while the share price has fallen in recent years. Overall, I'd still be very hesitant to buy oil and gas stocks, even if there is hope that issues relating to the Trans Mountain could play a big role in the next election. While it's a good sign, it's still just that, and until there is something more tangible for investors to hang their hats on, investing in Enbridge or any other oil and gas stock may still prove to be too risky today.

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