



#WinterRendezVous

**Monday, November 23, 2020**

**4 pm PT / 7 pm ET**

**2 hours**

## **A virtual evening with Dr. Renée Lertzman**

Researcher, educator,  
engagement strategist

With Special Musical Guest

**Angie Nussey**

**Free - registration required**  
canada.citizensclimatelobby.org

 **Citizens' Climate Lobby Canada**  
Lobby Climatique des Citoyens



## **AGENDA**

Begins 4:00 pm PT / 7:00 pm ET SHARP

- Welcome AND Land Acknowledgements\*
- First 15 minutes. Angie Nussey opens with a song
- The workshop with Dr. Lertzman
- Final 15 minutes. Closing comments.

**Our overarching goal:** To enable and support CCLers in managing the high stakes experiences of engaging diverse and multiple stakeholders on climate, and learn tools/frameworks for helping us stay sustainable and balanced.

\*We acknowledge the Indigenous territories we are all calling from today. For more information please start here: <https://native-land.ca/>. Learning the specific land acknowledgement for your own region is best learned by seeking the information from your local [Friendship Centre](#), local post-secondary institutions and/or Indigenous leaders. Also, implicit in a land acknowledgement is a commitment to working towards being a settler-ally.

**PS:** to find the login details for the event search #WinterRendezVous in your emails.

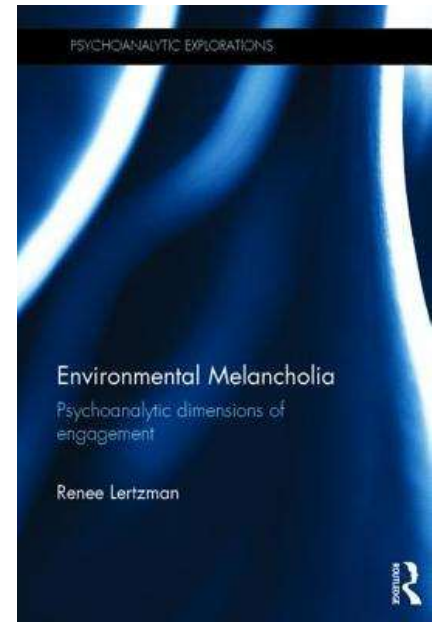
## About Dr. Renée Lertzman

Dr. Renée Lertzman is an internationally recognized thought leader and adviser, and works with organizations, professionals, and practitioners from government, business, philanthropic, and non-governmental sectors to design research tools, brand strategy, trainings, workshops, engagement practices, and strategies suited for the uniquely challenging nature of environmental work.

Dr. Renée Lertzman is no stranger to Citizens' Climate Lobby. Most recently she was the monthly guest on the July 2020 CCL USA call. She has previously guided Citizens' Climate Lobby Canada as we prepared to lobby our MPs at our June and November 2016 conferences.

Learn more about Dr. Renée Lertzman on her website:

<https://reneelertzman.com/about/>



## About Angie Nussey

Angie is a Singer, Song Writer, Storyteller and like most of us, she has no idea what she is doing. This is the third time Angie has shared her music with us. Every time she leaves us feeling full of hope and determination. Thus, we were grateful that Angie Nussey accepted our invitation to share her energy and gifts with us again.

Be sure to download her music and book her for your next event.

<https://angienussey.com/>



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**Note the rest of this booklet, contains information for Citizens' Climate Lobbyists who are about to lobby their own MPs for improvements and protections for the Greenhouse Gas Pollution Pricing Act.**

**Do you want to lobby with us?** If you are interested in joining us please [sign up here](#) by Tuesday, November 24, 2020. To help prepare for lobbying [please download this Word Document](#) to get started. With CCL's core values of focus, relationships, integrity, personal power, being nonpartisan, and diversity in mind, you are invited to use [CCL Canada's LASER Talks Booklet November 2020](#) (pdf) in your communications.

# Our Request for Fair, Effective and Predictable Carbon Pricing

CCL Canada is asking for a fair, effective, and predictable Carbon Fee and Dividend policy. Our recommendations are based on evidence and the need for a transparent, multi-year and comprehensive framework for carbon pricing

**Appreciation:** We appreciate that the [Greenhouse Gas Pollution Pricing Act](#) is revenue-neutral and provides direct dividends to households. We also recognize and appreciate Canada's role as a leader on carbon pricing on the world stage and the recent "[Canadian Net-Zero Emissions Accountability Act](#)" (C-12).

**The Urgency:** In 2018 and 2019, the Intergovernmental Panel on Climate Change (IPCC) published [three special reports](#) for policy-makers. These reports unequivocally state that time is running out. But, they also indicated that with the right policies, including pricing carbon as a core component of a cost-effective climate plan, countries like Canada can become leaders in tackling the climate emergency.

**Progress:** In the past four years, Canada has made real progress. The federal government and at least [500](#) Canadian municipalities have declared a [climate emergency](#). The federal government committed to a time-line for [peer-review of 'inefficient fossil fuel subsidies'](#). The federal government must follow through on this [commitment](#). The federal government also put a national price on carbon pollution while protecting low and middle-income Canadians. From the federal backstop carbon price, [80% of households come out ahead](#), a finding confirmed by the [Parliamentary Budget Office](#) and [others](#). The government committed to [net-zero by 2050](#), and is looking towards [border carbon adjustments](#). Now with Joe Biden as president-elect of the USA, carbon pricing may become mainstream globally too.

**The Opportunity:** Implementing the appropriate policies, including Carbon Fee and Dividend as a [core component of a cost-effective climate plan](#), will save lives, improve health, conserve nature, promote equity and position Canada to capture part of the [26 trillion dollar opportunity](#) in climate-smart growth by 2030. Tellingly, [27 Nobel Prize-winning economists](#) and [thousands of economists worldwide](#) support Carbon Fee and Dividend. In Canada, Carbon Fee and Dividend has been endorsed by Canadians for Clean Prosperity, Canada's Ecofiscal Commission and the [Postmedia](#) editorial board.

## OUR RECOMMENDATIONS

1. Canada must gradually increase the national carbon price past 2022 in the range of \$10-20 tonne per year until we achieve evidence-based greenhouse gas (GHG) emissions targets.

2. The carbon price must continue to be revenue-neutral. We must receive our [Climate Action Incentive](#) rebates at least twice yearly through a dividend cheque or a direct deposit.
3. The carbon price must be economy-wide with minimal, principled exceptions. All measurable GHGs must be priced.
4. We appreciate that Canada's Output-Based Pricing System for large emitters is providing a market signal to reduce GHG emissions and protects vulnerable industries from unfair foreign competition. Since we also need mechanisms to encourage foreign countries to adopt their own carbon fees, we view the Output-Based Pricing System as temporary. Specifically, we recommend that Parliament study the implementation of [Border Carbon Adjustments](#), work with the European Union and hopefully the USA, in the design of [their Border Carbon Adjustments](#). In the meantime, we need [natural-gas produced electricity](#) to be removed from the Output-Based Pricing System and pay the full carbon price.
5. CCL's stance has always been one carbon pricing policy for all of Canada. However, if the provinces and territories proceed to create their own solutions, we advise that the Canadian Federation agree upon carbon pricing equivalencies between jurisdictions in order to ensure our Border Carbon Adjustments comply with international trade law.
6. We recommend a framework for cross-party cooperation through legislation of science-based GHG targets and successive short term GHG budgets, with mandatory public reporting on progress in meeting these targets and budgets. The [United Kingdom's Climate Change Act 2008](#) provides an example of legislation that implements these concepts. The climate accountability laws must include mitigation, adaptation, equity, burden-sharing, and a just-transition for all.

**A Final Word:** The societal wealth we enjoy was made possible with fossil fuels. As we transition into a carbon-neutral economy, unprecedented, timely, and evidence-based action is needed. For a liveable world, please consider working with us to champion one or more of these recommendations.

## Demande d'une tarification du carbone équitable, efficace et prévisible

LCC Canada demande une politique équitable, efficace et prévisible en matière de redevances et de dividendes sur le carbone. Nos recommandations sont fondées sur des données probantes et sur la nécessité d'un cadre transparent, pluriannuel et complet.

**Appréciation:** Nous apprécions vraiment que la loi sur la tarification de la pollution par les gaz à effet de serre soit neutre sur le plan des revenus et qu'elle fournisse des dividendes directs aux ménages. Nous reconnaissons et apprécions également le rôle du Canada en tant que leader de la tarification du carbone sur la scène internationale et la récente Loi canadienne sur la responsabilité en matière de carboneutralité (C12).

**L'urgence:** En 2018 et 2019, le Groupe d'experts intergouvernemental sur l'évolution du climat (GIEC) a publié trois rapports spéciaux destinés aux décideurs politiques. Ces rapports affirment sans équivoque que le temps presse. Ils indiquent également qu'avec les bonnes politiques, dont la tarification du carbone comme élément central d'un plan climatique rentable, des pays comme le Canada peuvent devenir des leaders dans la lutte contre le changement climatique.

**Progrès:** Au cours des quatre dernières années, le Canada a fait de réels progrès. Le gouvernement fédéral et au moins 500 municipalités canadiennes ont déclaré une urgence climatique. Le gouvernement fédéral s'est engagé à établir un calendrier pour l'examen par les pairs des "subventions inefficaces aux combustibles fossiles", un engagement qui devrait être respecté. Le gouvernement fédéral a également mis un prix national sur la pollution au carbone tout en protégeant les Canadiens à faible et moyen revenu. Grâce au prix du carbone fixé par le gouvernement fédéral, 80 % des ménages sont gagnants, un résultat confirmé par le Bureau parlementaire du budget et d'autres organismes. Le gouvernement s'est engagé à atteindre un zéro net d'ici 2050 et envisage des ajustements de carbone aux frontières. Désormais, avec Joe Biden en tant que président élu des États-Unis, la tarification du carbone pourrait également devenir courante dans le monde.

**L'opportunité:** La mise en œuvre des politiques appropriées, y compris la redevance et le dividende sur le carbone comme élément central d'un plan climatique rentable, permettra de sauver des vies, d'améliorer la santé, de préserver la nature, de promouvoir l'équité et de positionner le Canada pour qu'il puisse saisir une partie des 26 000 milliards de dollars de possibilités de croissance intelligente sur le plan climatique d'ici 2030. Il est révélateur que 27 économistes lauréats du prix Nobel et des milliers d'autres économistes dans le monde entier soutiennent le programme de redevances et de dividendes sur le carbone. Au Canada, cette initiative a reçu l'aval de Canadians for Clean Prosperity, de la Commission de l'écofiscalité du Canada et du comité de rédaction de Postmedia.

### NOS RECOMMANDATIONS

1. Le Canada doit augmenter progressivement le prix national du carbone après 2022 dans une fourchette de 10 à 20 \$ par année jusqu'à ce que nous atteignons les cibles d'émissions de gaz à effet de serre (GES) fondées sur des données probantes.
2. Le prix du carbone doit continuer à être neutre sur le plan des recettes. Nous devons recevoir nos paiements de l'incitatif à agir pour le climat au moins deux fois par an par le biais d'un chèque de dividende ou d'un dépôt direct.
3. Le prix du carbone doit s'appliquer à l'ensemble de l'économie, avec un minimum d'exceptions fondées sur des principes, et tous les gaz à effet de serre (GES) mesurables doivent être tarifés.
4. Nous apprécions le fait que le Système de tarification fondé sur le rendement (OBPS) donne un signal de marché pour la réduction des émissions de GES et protège les industries vulnérables de la concurrence étrangère déloyale. Comme nous avons également besoin de mécanismes pour encourager les pays étrangers à adopter leurs propres droits d'émission de carbone, nous considérons le OBPS temporaire. Nous recommandons au Parlement d'étudier la mise en œuvre des tarifs carbone à la frontière, de travailler avec l'Union européenne et, espérons-le, les États-Unis, dans la conception de leurs ajustements carbone à la frontière. Dans l'intervalle, nous avons besoin que l'électricité produite à partir de gaz naturel soit retirée du système de tarification basé sur la production et paye le prix intégral du carbone.
5. La position du LCC a toujours été une politique de tarification du carbone pour l'ensemble du Canada. Toutefois, si les provinces et les territoires créent leurs propres solutions, nous conseillons à la Fédération canadienne de s'entendre sur des équivalences de prix du carbone entre les juridictions afin de mettre en place des ajustements frontaliers du carbone qui soient conformes au droit commercial international.
6. Nous recommandons un cadre de coopération entre les parties par le biais d'une législation sur les objectifs scientifiques en matière de GES et de budgets successifs à court terme pour les GES, avec des rapports publics obligatoires sur les progrès accomplis dans la réalisation de ces objectifs et budgets. Le Climate Change Act 2008 du Royaume-Uni fournit un exemple de législation qui met en œuvre ces concepts.

**Le mot de la fin:** La richesse sociétale dont nous jouissons a été rendue possible grâce aux combustibles fossiles. Alors que nous passons à une économie neutre en carbone, des mesures sans précédent, opportunes et fondées sur des preuves sont nécessaires. Pour un monde viable, veuillez envisager de travailler avec nous pour défendre une ou plusieurs de ces recommandations.



## THE CANADIAN NET-ZERO EMISSIONS ACCOUNTABILITY ACT (C12)<sup>1</sup>

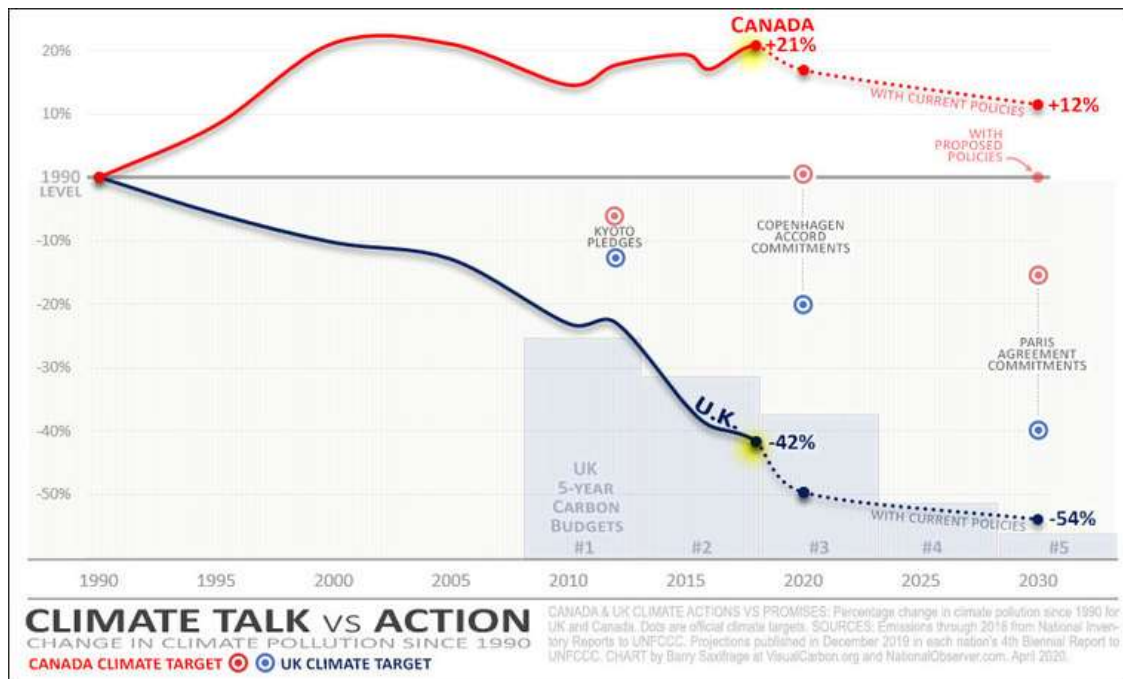
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| <b>Introduced</b>  | On Thursday, November 19, 2020, for the first time a climate accountability bill was introduced by the government of the day in Canada.  |
| <b>Significance</b>  | Canada was the only country to pull out of the Kyoto Protocol (2011) and has never met a UN climate target. We do not have national laws requiring us to do so.  |
| <b>Celebrate</b>   | This is an historical moment. When passed, especially with improvements, it could go a long way to breaking the cycle of climate unaccountability.   |
| <b>The Good</b>  | C12 enshrines GHG targets to get to net-zero by 2050 and thus enables legislation to be formalized. It mandates the government table a “reduction plan” and “progress report” for each target, and creates a special panel to advise the minister. The government must table its plans at least 5 years before the next target is due, and the first plan for 2030 must be tabled within six months of the bill coming into force. The Liberals have pledged to exceed our Paris Target of 30% of 2005 by 2030 too.  |
| <b>Needs Improvement</b>                                       | C12 needs a 2025 target, and plans on how to get there. It also needs carbon budgets. Worrisomely, C12 does not impose a duty on the federal government to meet its national GHG targets. There are “strategies” but nothing is “mandatory.” Over the next few months we will work with MPs, and other NGOs to determine what specific changes will be needed. There might be constitutional and political reasons for its current design. We must be patient and anticipate a lot of complicated and uncomfortable conversations.   |
| <b>Potential Pushback</b>                                      | Currently, there is a constitutional debate on nation-to-nation relationships over the Greenhouse Gas Pollution Pricing Act at the Supreme Court of Canada. Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and New Brunswick are challenging the Greenhouse Gas Pollution Pricing Act and so are Indigenous nations.  |
| <b>Opportunity</b>   | We have an opportunity to shape legislation that will impact generations to come. It everyone’s right under Article 12 of the Paris Agreement to enhance climate legislation. It is also the right every child under the UN Rights of the Child to have a say in the decisions that affect them.   |
| <b>CCL Canada Comes Full Circle almost 10 Years to the Day</b> | In February 2010, a Facebook group helped build political will for Bill C311, the NDP Climate Change Accountability Act. They empowered people to contact their MPs, conducted outreach, wrote blogs, “Facebooked”, and wrote letters to the editor. In early April 2010, they put a phone number online for MP Rota (Liberal House Whip) to call. MP Rota phoned Cathy Orlando, and promised that the Liberals would vote for Bill C311 in the minority parliament. Liberal and NDP MPs voted to pass Bill C311 in the House of Commons on May 6, 2010. It was killed in the Senate with no debate or committee work by a snap vote led by Conservative Senators on November 16, 2010. CCLers Cathy Orlando, Cheryl McNamara, Lyn Adamson and Jan Slakov were part of this group and are still with us today. |

<sup>1</sup> The Canadian Net-Zero Emissions Accountability Act 19 Nov. 2020

<https://www.parl.ca/LegisInfo/BillDetails.aspx?Language=e&Mode=1&billId=10959361>

# CCL Canada's Climate Accountability Recommendations

**VERSION THREE OF MANY TO COME:** Please note these ideas are still being formulated by Citizens' Climate Lobby Canada. We will be looking to our members, Canadian Civil Society groups, and our parliamentarians to guide us as we collaborate to respond to the climate emergency and embrace the opportunities a just transition to a low carbon economy can bring to all Canadians.



**BACKGROUND:** Many countries and jurisdictions including New Zealand/Aotearoa, Denmark and the United Kingdom (2008) have implemented climate accountability frameworks as a way of meeting their long-term climate commitments. Similar frameworks are also found in two Canadian provinces: Manitoba and British Columbia. These jurisdictions provide valuable examples for other Canadian governments looking to implement accountability frameworks.

**UK CLIMATE ACT + CONSIDERATIONS IN A CONFEDERATION:** In 2008, the United Kingdom enacted the 2008 Climate Change Act which is a climate accountability framework. As the graph above clearly illustrates, the UK has been highly successful in reducing their carbon emissions. However, unlike the UK, Canada is a federation of provinces and territories and that must be considered when planning.

**CANADA, NGOS AND CLIMATE ACCOUNTABILITY:** Since joining the United Nations Framework Convention on Climate Change (UNFCCC) Canada has never met a climate target. In May 2010, a Climate Accountability private member's bill (Bill C311) passed through the House of Commons and was killed in the Senate without ever being read. In 2018, soon after Canada enacted the Greenhouse Gas Pollution Pricing Act, Citizens' Climate Lobby (CCL) Canada volunteers collectively came to the conclusion that Canada needed climate accountability laws like the UK and began lobbying for them in May 2019. Fortunately, CCL Lobby Canada is not alone in its desire to see climate accountability laws enacted. Canada's largest environmental law association, Ecojustice, the Climate Action Network Canada, the West Coast Environmental Law Association, Environmental Defence, the Pembina Institute, Equiterre and the Canadian Institute of Climate Choices are all working on climate accountability.

## **BILL C215 – AN ACT RESPECTING CANADA’S FULFILLMENT OF ITS GHG EMISSIONS REDUCTION OBLIGATIONS**

Private Members bill, **Kristina Michaud, Bloc Québécois MP for Avignon—La Mitis—Matane—Matapédia, QC**

The purpose of Bill C-215 is to ensure that Canada fulfills its obligations under the Paris Agreement, including by establishing targets for reducing Canadian greenhouse gas emissions and accountability mechanisms for emissions reduction. More specifically, Bill C-215 includes a target of zero net emissions by 2050 and an interim emissions reduction target of at least 30% below the level of greenhouse gas emissions in 2005 by 2030. It also requires a centralized action plan that establishes five-year interim targets, from 2025 to 2040.

## **BILL C12 – THE CANADIAN NET-ZERO EMISSIONS ACCOUNTABILITY ACT (C12)**

On Thursday, November 19, 2020, for the first time a climate accountability bill was introduced by a sitting party in government. Over the next few months we will work with our MPs and other civil society groups to determine how best this bill could be improved before it becomes the law of the land.

### **CCL CANADA’S KEY ELEMENTS OF CLIMATE ACCOUNTABILITY:**

Canada is a confederation and has a Westminster model of democracy. Thus, both must be considered when designing climate accountability laws. We want Canada's climate accountability laws to look like we are in an emergency because we are in an emergency. There is also some valuable advice from Canadian NGOs to consider. Here are some general elements we think should be in a climate accountability law for Canada:

1. We recommend five-year GHG budgets, with mandatory public reporting on progress in meeting these targets and budgets. The United Kingdom’s Climate Change Act 2008 provides an example of legislation that implements these concepts.
2. National carbon budgets should be split equitably and with informed expert advice with the provinces and territories.
3. Provincial and territorial carbon budgets must be clearly delineated within the federal budget.
4. The federal budget must be binding.
5. The carbon budget must be determined 10 years in advance so appropriate planning can take place.
6. Climate accountability must be about more than cutting GHGs. It needs to include not only mitigation but also adaptation, equity, First Nations considerations, burden-sharing, and a just-transition for all.

### **Key Climate Accountability Resources**

- <https://www.parl.ca/LegisInfo/BillDetails.aspx?Language=e&Mode=1&billId=10959361>
- <http://www.legislation.gov.uk/ukpga/2008/27/contents>
- <https://www.ecojustice.ca/wp-content/uploads/2020/06/Policy-Brief-New-Canadian-Climate-Accountability-Act-1.pdf>
- <https://climatechoices.ca/reports/marking-the-way/>
- [https://www.wcel.org/sites/default/files/publications/CarbonBudget%20\(Web\)\\_0.pdf](https://www.wcel.org/sites/default/files/publications/CarbonBudget%20(Web)_0.pdf)

# Canada's Carbon Pricing System

THE GREENHOUSE GAS POLLUTION PRICING ACT

a.k.a. The Federal Backstop

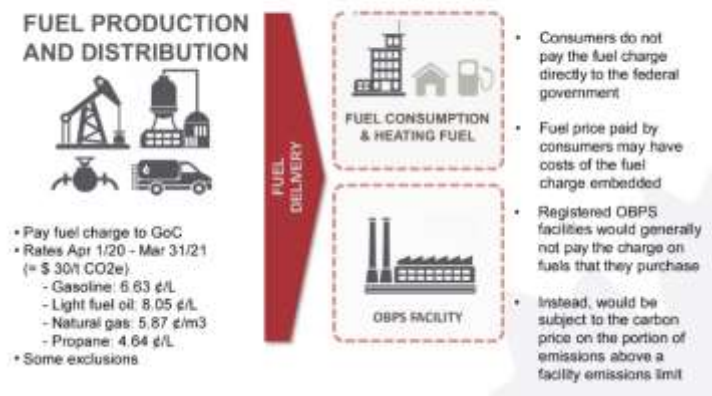
## Overview of the Federal Backstop

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| <b>A national prospective floor price</b>              | By January 1, 2019, all provinces and territories were required to have had a carbon pricing policy of at least \$20 per carbon tonne, raising \$10 per tonne each year until 2022, with flexibility for jurisdictions to price carbon directly or implement an equivalent cap and trade system. Provinces and territories that do not meet these benchmarks are subject to one or both parts of the federal backstop carbon pricing policy.   |
| <b>Agriculture</b>                                     | The fee is not applied to farm diesel but is applied to farm propane.  |
| <b>Where the fee is applied</b>                        | Upstream and generally payable by fuel producers or distributors.  |
| <b>Climate Income Carbon Cashback<br/>The Dividend</b> | 90% of the revenue collected from the “Fuel Charge” component of Canada’s rebated to the citizens once yearly in their income taxes under the line 45110 “climate action incentive”.   |
| <b>Border Carbon Adjustments</b>                       | Output-based pricing system (OBPS) was enacted in lieu of Border Carbon Adjustments. CCL Canada is not against OBPS. Specifically, “we recommend that Parliament study the implementation of Border Carbon Adjustments, work with the European Union and hopefully the USA, in the design of their Border Carbon Adjustments.” Importantly, Border Carbon Adjustments will encourage other countries to adopt their own incrementally rising carbon pricing systems – which the current OBPS does not achieve. |
| <b>Output-based carbon pricing (OBPS)</b>              | Emission intensive trade exposed facilities are under OBPS system. The OBPS is like cap and trade but without the cap. They pay a carbon price based on their emissions intensity relative to a benchmark set by the government for their industry and surplus credits are be traded. Alberta, Saskatchewan and Ontario, although subject to the fuel charge, all have their own OBPS systems.   |



# Canada's Carbon Pricing System

## Overview of the federal backstop



In June 2018, the Greenhouse Gas Pollution Pricing Act achieved Royal Assent and became law of the land in Canada.<sup>2</sup> By January 1, 2019, all provinces and territories were required to have had a carbon pricing policy of at least \$20 per carbon tonne, raising \$10 per tonne each year until 2022, with flexibility for jurisdictions to price carbon directly or implement an equivalent cap and trade system.<sup>3</sup> How equivalency is determined is unclear. What happens after 2022 is also unclear. Provinces and territories that do not meet these benchmarks are subject to a federal backstop carbon pricing policy.

The federal backstop carbon price has two elements:

- 1. THE FUEL CHARGE:** A fee on fossil fuels that is upstream and generally payable by fuel producers or distributors, with rates for each fuel that are equivalent to \$10 per tonne of carbon dioxide equivalent (CO<sub>2</sub>e) in 2018, rising by \$10 per year to \$50 per tonne CO<sub>2</sub>e in 2022. 90% of the revenue is rebated to the citizens once yearly in their income taxes under the line 45110 “climate action incentive”.<sup>4</sup> In provinces and territories where the fuel charge is in place, the revenues generated stay within the jurisdiction with 90% being returned to households with climate action incentive payment once yearly when income tax forms are filed. This way, at least eight out of ten households, especially those with the lowest income, get back more money than they pay in the carbon price.<sup>5</sup>
- 2. OUTPUT-BASED PRICING SYSTEM:** Businesses and industries that qualify may be enrolled in an output-based pricing system (OBPS).<sup>6</sup> They pay a carbon price based on their emissions intensity relative to a benchmark set by the government for their industry and surplus credits will be traded. This system will send a market signal because good actions are rewarded. The OBPS protects emissions-intensive trade-exposed industries from carbon leakage, the movement of businesses and their emissions out of Canada. However, some components of the OBPS may not be stringent enough.<sup>7</sup>

<sup>2</sup> "Greenhouse Gas Pollution Pricing Act - Laws.justice.gc.ca." <https://laws-lois.justice.gc.ca/eng/acts/G-11.55/>. Accessed 18 Nov. 2020.

<sup>3</sup> "LASER TALK: The many ways to price carbon pollution | Citizens ...." 28 Feb. 2019, <https://canada.citizensclimatelobby.org/laser-talk-the-many-ways-to-price-carbon-pollution/>. Accessed 7 Aug. 2019.

<sup>4</sup> "Line 45110 – Climate action incentive ...." 21 Jan. 2020, <https://www.canada.ca/en/revenue-agency/services/tax/individuals/topics/about-your-tax-return/tax-return/completing-a-tax-return/deductions-credits-expenses/line-45110-climate-action-incentive.html>. Accessed 18 Nov. 2020.

<sup>5</sup> "Fiscal and Distributional Analysis of the Federal Carbon Pricing System." 25 Apr. 2019, [https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/2019/Federal%20Carbon/Federal\\_carbon\\_pricing\\_EN.pdf](https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/2019/Federal%20Carbon/Federal_carbon_pricing_EN.pdf). Accessed 18 Nov. 2020.

<sup>6</sup> "LASER TALK: Output-Based Pricing Systems | Citizens' Climate Lobby ...." <https://canada.citizensclimatelobby.org/laser-talk-output-based-pricing-systems/>. Accessed 9 Aug. 2019.

<sup>7</sup> "Getting Real about Canada's Climate Plan – Climate Action Network." 14 Jun. 2019, <https://climateactionnetwork.ca/2019/06/14/getting-real-about-canadas-climate-plan/>. Accessed 13 Aug. 2019.

# Carbon Pricing across Canada

**Currently, in Alberta, Saskatchewan, Manitoba and Ontario** the fuel charge from the backstop policy is applied because they chose not to implement, did not meet the federal benchmark or canceled fuel charges in their provinces. Note these four provinces, in addition to New Brunswick and Quebec, are all challenging the constitutionality of the Greenhouse Gas Pollution Pricing Act. A ruling is anticipated in early 2021 from the Supreme Court of Canada<sup>8 9 10</sup>.

**Yukon, Northwest Territories, and Nunavut:** Have asked the federal government to implement the federal backstop carbon price.<sup>11</sup>

**British Columbia:** A carbon price has been in place since 2008.<sup>12</sup>

**New Brunswick:** On April 1, 2020 exited the federal backstop but also reduces the provincial excise tax by 4.6 cents. That means the net cost to consumers is now two cents, not the 4.4 charged in 2019-20 or the 6.6 cents for 2020-21.<sup>13</sup>

**Newfoundland and Labrador:** Gasoline is taxed at 4.42 cents per litre. Diesel fuel is also taxed, but home heating fuels will not. Large industrial polluters are subjected to annual reduction targets, with exemptions for certain industries.<sup>14</sup>

**Nova Scotia:** Implemented a cap and trade program starting on January 1, 2019.<sup>15</sup>

**Prince Edward Island:** Includes the federal OBPS for large emitters and a four-cents-per-litre surcharge on gasoline and diesel.<sup>16</sup> Home heating fuels are not subjected to any new taxes.<sup>17</sup>

**Quebec:** Prices carbon through a cap and trade system harmonized with California's.<sup>18</sup>

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<sup>8</sup> Attorney General of Saskatchewan v. Attorney General of Canada <https://www.scc-csc.ca/case-dossier/info/sum-som-eng.aspx?cas=38663> Accessed Nov 2, 2020

<sup>9</sup> Attorney General of Ontario v. Attorney General of Canada <https://www.scc-csc.ca/case-dossier/info/sum-som-eng.aspx?cas=38781> Accessed Nov 2, 2020

<sup>10</sup> Attorney General of British Columbia v. Attorney General of Alberta <https://www.scc-csc.ca/case-dossier/info/sum-som-eng.aspx?cas=39116> Accessed Nov 2, 2020

<sup>11</sup> "How carbon pricing will work, province by province | CTV News." 24 Oct. 2018, <https://www.ctvnews.ca/politics/how-carbon-pricing-will-work-province-by-province-1.4147695>. Accessed 8 Aug. 2019.

<sup>12</sup> "British Columbia's Carbon Tax - Province of ... - Government of B.C.." <https://www2.gov.bc.ca/gov/content/environment/climate-change/planning-and-action/carbon-tax>. Accessed 8 Aug. 2019.

<sup>13</sup> A made-in-New Brunswick carbon tax is here, but will it actually curb consumption? <https://www.cbc.ca/news/canada/new-brunswick/new-brunswick-carbon-tax-1.5516992> Accessed 31 Aug. 2020.

<sup>14</sup> "Provincial Government Releases Federally ... - News Releases." <https://www.releases.gov.nl.ca/releases/2018/mae/1023n01.aspx>. Accessed 12 Aug. 2019.

<sup>15</sup> "Nova Scotia's Cap-and-Trade Program | Climate Change Nova Scotia." <https://climatechange.novascotia.ca/nova-scotias-cap-trade-program>. Accessed 8 Aug. 2019.

<sup>16</sup> "Carbon Levy | Government of Prince Edward Island." 7 Mar. 2019, <https://www.princeedwardisland.ca/en/information/finance/carbon-levy>. Accessed 8 Aug. 2019.

<sup>17</sup> "Saving you money while helping the environment | Government of ... " 27 Dec. 2018, <https://www.princeedwardisland.ca/en/information/transportation-infrastructure-and-energy/saving-you-money-while-helping-environment>. Accessed 8 Aug. 2019.

<sup>18</sup> "Carbon Market - Ministère de l'Environnement et de la Lutte contre les ...." 1 Nov. 2018, [http://www.environnement.gouv.qc.ca/changementsclimatiques/marche-carbone\\_en.asp](http://www.environnement.gouv.qc.ca/changementsclimatiques/marche-carbone_en.asp). Accessed 8 Aug. 2019.

# Output-Based Pricing System (OBPS)

As a global leader in carbon pricing, Canada's carbon price may be more stringent than in other jurisdictions. Policy differences with respect to carbon pricing may lead to leakage, or the movement of some businesses and their GHG emissions out of Canada and to other jurisdictions.<sup>19</sup>

There are sectors which the government identifies as emission-intensive and trade-exposed (EITE), which might be vulnerable to leakage. For large firms in EITE sectors, the federal government designed an output-based pricing system (OBPS) as part of the federal backstop carbon price.<sup>20</sup>

The OBPS is somewhat like cap and trade but without a cap. It can be divided in two steps.

In the **first step**, firms pay the full carbon price on their emissions.

In the **second step**, firms receive credits, the number of which is based on emissions standards or benchmarks set by the government as follows:

- If a firm's emissions exactly meets its sector benchmark, the number of credits it receives would exactly cover the costs of the carbon price.
- If a firm's emissions exceed its sector benchmark, it either pays the full carbon price for emissions above the benchmark, uses credits issued by the government, or uses credits that presumably offset emissions.
- If a firm emissions are less than its sector benchmark, it can sell its excess credits to other firms<sup>21</sup>.

Overall, the government returns 80 or 90% of the OBPS revenues in credits for some sectors.<sup>22</sup>

The OBPS isn't entirely an exemption—business are encouraged to reduce emissions by earning credits or avoid paying the reduced fuel-charge.

For years, CCL has advocated for Border Carbon Adjustments (BCAs) to help with leakage. However, the OBPS is a logical first step for firms genuinely vulnerable to leakage. BCAs can face technical and diplomatic challenges and take time to pass through international trade agreements. The US decision to block selection of judges at the World Trade Organization's Appellate Body has impacted its ability to rule on cases<sup>23</sup> but with the Biden-Harris administration about to takeover in the USA we expect that this blocking tactic to be removed.

CCL Canada recommends the OBPS be temporary, ultimately be replaced with BCAs, and BCAs be studied. This is especially relevant now that the European Union will be enacting border carbon adjustments in January 2023 and Canada the EU are cooperating to build back better from the pandemic.<sup>24</sup> As well, we are specifically asking that natural-gas produced electricity be removed from the OPBS.

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<sup>19</sup> "Provincial Carbon Pricing Competitiveness Pressures | Ecofiscal." <https://ecofiscal.ca/reports/provincial-carbon-pricing-competitiveness-pressures/>. Accessed 28 Jun. 2019.

<sup>20</sup> "Technical Paper: Federal Carbon Pricing Backstop - Canada.ca." 5 Jan. 2018, <https://www.canada.ca/en/services/environment/weather/climatechange/technical-paper-federal-carbon-pricing-backstop.html>. Accessed 28 Jun. 2019.

<sup>21</sup> "10 Myths About Carbon Pricing in Canada. - Ecofiscal Commission." <https://ecofiscal.ca/wp-content/uploads/2019/03/Ecofiscal-Commission-10-Myths-about-carbon-pricing-March-2019-FINAL.pdf>. Accessed 28 Jun. 2019.

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<sup>23</sup> "Opinion | How to Make the Trade War Even Worse - The New York ...." 17 Dec. 2018, <https://www.nytimes.com/2018/12/17/opinion/trade-war-china-wto.html>. Accessed 14 Aug. 2019.

<sup>24</sup> Joint press release: EU-Canada Leaders' Virtual Meeting (October 29, 2020) <https://pm.gc.ca/en/news/news-releases/2020/10/29/joint-press-release-eu-canada-leaders-virtual-meeting>. Accessed 02 Nov 2019

# Carbon Pricing and the Cost of Gas

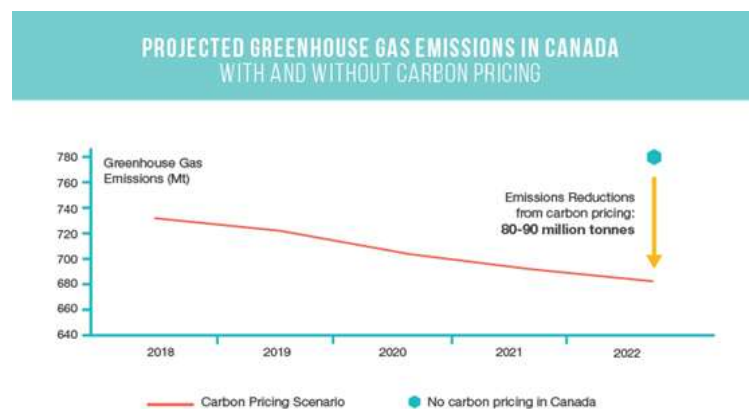
In 2019, Canada's federal backstop carbon price is equivalent to about 4.4 cents per litre of gas.<sup>25</sup> This will increase by the equivalent of about 2.3 cents per litre of gas<sup>26</sup> each year until 2022. For a family driving a car with a moderate mileage of 10 L/100 km (23 mpg), the increased cost of gas from carbon pricing is \$3 for a single 60 L fill up, or less than \$100 per year in 2019, assuming a typical 20,000 km (12,400 miles) of driving per year.<sup>27</sup>

## Canada's Recent Polling Data

A November 2, 2020 poll commissioned by Greenpeace Canada<sup>28</sup> has revealed that 62% of Canadians believe "now is the right time" for the federal government to address long-standing problems like inequality, climate change and racism. An October 2020 from Friends of the Earth<sup>29</sup> found that over 40% of Canadians are self-described climate voters. A February 2020 poll<sup>30</sup> from Canadians for Clean Prosperity found that the Conservatives can't win the next election without a significant climate policy.

## Canada's Carbon Pricing Policy is a Heavy Lifter

Between 2018 and 2022 it is expected that Canada's carbon pricing policy will reduce GHG emissions by 80-90MT. Without the Greenhouse Gas Pollution Pricing Act, Canada's GHG emissions would rise between 2018 and 2022<sup>31</sup>.



<sup>25</sup> "Gas prices could jump another 15 cents by summer — and ... - CBC.ca." 6 Apr. 2019, <https://www.cbc.ca/news/business/gas-prices-carbon-tax-oil-1.5081757>. Accessed 20 Jul. 2019.

<sup>26</sup> "Pricing carbon pollution in Canada: how it will work - Canada.ca." 21 Jun. 2017, [https://www.canada.ca/en/environment-climate-change/news/2017/05/pricing\\_carbon\\_pollutionincanadahowitwillwork.html](https://www.canada.ca/en/environment-climate-change/news/2017/05/pricing_carbon_pollutionincanadahowitwillwork.html). Accessed 20 Jul. 2019.

<sup>27</sup> "Gas prices could jump another 15 cents by summer — and ... - CBC.ca." 6 Apr. 2019, <https://www.cbc.ca/news/business/gas-prices-carbon-tax-oil-1.5081757>. Accessed 20 Jul. 2019.

<sup>28</sup> Environics Poll: Two-thirds of Canadians want federal recovery to prioritize renewables above fossil fuels 2, Nov 2020 <https://www.greenpeace.org/canada/en/press-release/44409/environics-poll-two-thirds-of-canadians-want-federal-recovery-to-prioritize-renewables-above-fossil-fuels/> Accessed 20 Nov. 2020

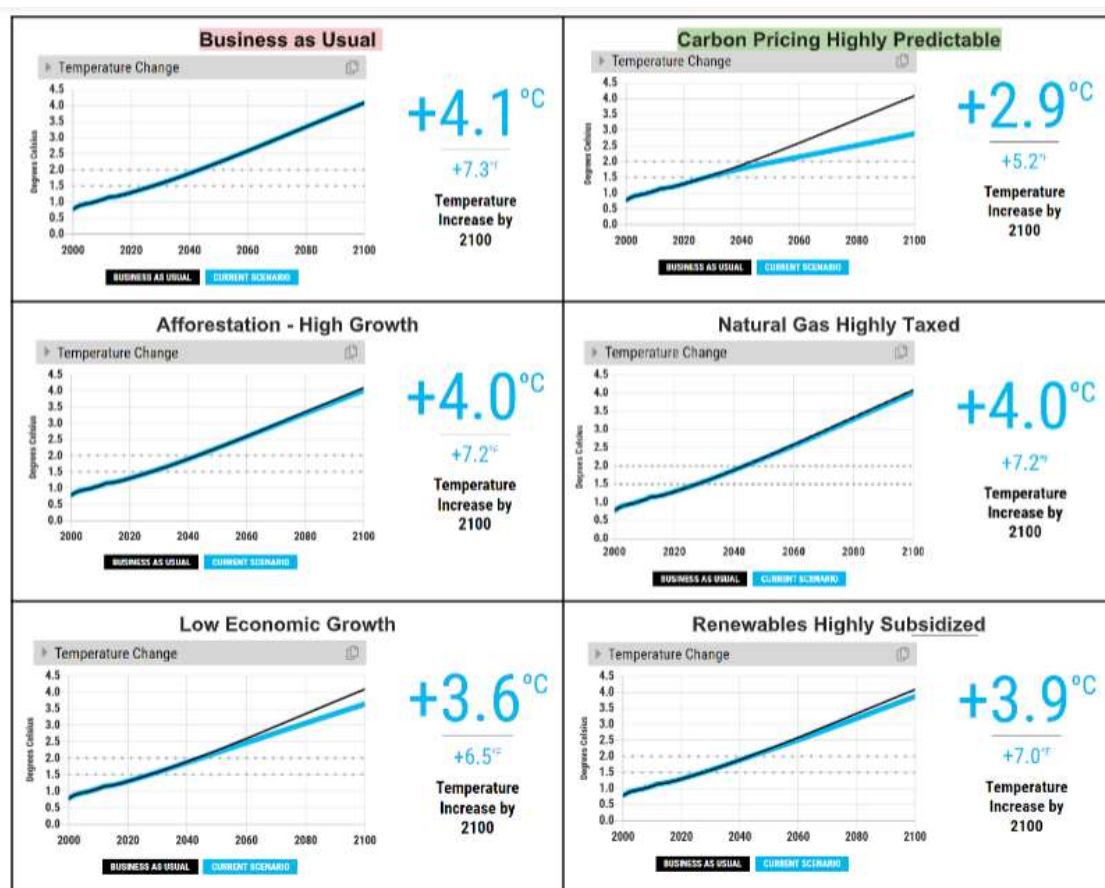
<sup>29</sup> New Poll Finds Over 40% of Canadians Self-Described Climate Voters 6 Oct. 2020 <https://foecanada.org/2020/10/new-poll-finds-canadians-self-described-climate-voters/> Accessed 20 Nov. 2020

<sup>30</sup> New Poll Shows Conservatives Can't Win Next Election Without a Climate Plan 27 Feb 2020 <https://www.cleanprosperity.ca/2020/02/27/new-poll-shows-conservatives-cant-win-next-election-without-a-climate-plan/> Accessed 20 Nov. 2020

<sup>31</sup> Estimated Results of the Federal Carbon Pricing Policy [https://www.canada.ca/content/dam/eccc/documents/pdf/reports/estimated-impacts-federal-system/federal-carbon-pollution-pricing-system\\_en.pdf](https://www.canada.ca/content/dam/eccc/documents/pdf/reports/estimated-impacts-federal-system/federal-carbon-pollution-pricing-system_en.pdf)



# Carbon Pricing is the Most Silver-Bulletish Policy that we know of



Estimated effect of single policy changes on global heating in the En-ROADS simulator.  
<https://www.climateinteractive.org/tools/c-roads/>. Accessed 11 Jun. 2020.

En-ROADS is a transparent, freely-available policy simulation model that provides us with the ability to explore, for ourselves, how various climate solutions would affect outcomes such as global temperature change. (Note that this simulator is for the entire globe and not just for Canada.) The goal in making the model is to frame and support better conversations about how to address the climate crisis. On April 30, 2020, Doug Pritchard of CCL Beaches-East York, Chemical Engineer, and En-ROADS Climate Ambassador led CCL Canada on a tour of the En-ROADS climate solutions simulator.

In June 11, 2020, it was estimated in the En-ROADS simulator that just implementing a highly predictable carbon price would prevent  $1.2^{\circ}\text{C}$  of global heating by 2100 compared to business as usual. Changing any other single policies in the simulator could prevent up to  $0.5^{\circ}\text{C}$  of global heating by 2100. This makes implementing a highly predictable carbon price by far the most impactful single policy change in preventing global temperature increase in the simulator.

To prevent the worst impacts of global heating, we need a whole suite of policy changes. Of them, making carbon pricing predictable is by far the most effective one we know of.

# Stop the Dash to Gas in the Electricity Sector

The Corporate Knight's [Building Back Better Report](#) indicates that greening the grid will create 905,000 jobs and add \$284.5 billion of gross value to the Canadian economy between now and 2030. Achieving this transformation will require strong measures—how can we get there?

Currently, the [Greenhouse Gas Pollution Pricing Act](#) and provincial regulations for big emitters in [Alberta](#), [Ontario](#) and [New Brunswick](#) permits existing gas plants and those converted from coal to emit most of their GHGs for free.

Rather than charging gas plants for only a small portion of the GHGs they emit, CCL Canada advocates that the federal government make natural gas electricity plants pay the full carbon price on all the natural gas they use. This needs to be done while continuing to increase the national carbon price past 2022 and continuing to return the revenue to Canadians.

A 2017 study by Dolter and Rivers showed that an incrementally increasing carbon price with no loopholes over time would eliminate about 90% of GHG emissions from Canada's electricity system, increasing the average cost of electricity by 1.2 cents per kilowatt-hour.

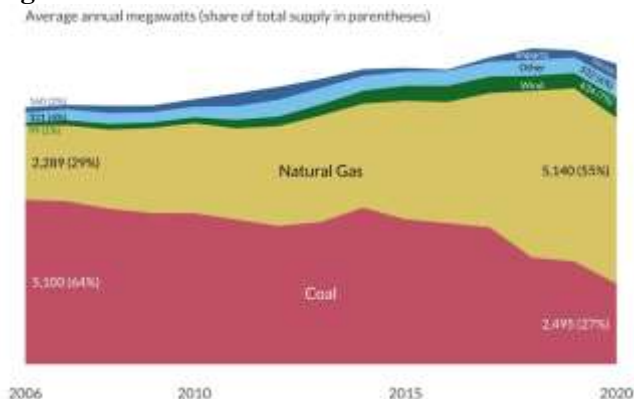
This recommendation should result in the displacement of gas electrical generation by renewables—with a reduction of up to 15 Mt of GHGs per year achieved in Ontario alone (Figure 1). Significant reductions could also be made in Alberta (Figure 2). Furthermore, future additional generation is more likely to be non-emitting with an increasing carbon price. For more information see our [Stop the Dash to Gas Media Packet](#).

**Figure 1:** Ontario Electricity Sector GHG Emissions, Historical and Forecast



**Source:** Figure 32 from [Annual Planning Outlook](#), January 2020, Independent Electricity System Operator. The drop from 2005 through 2014 is mainly due to shutdown of coal plants. The projected increase from 2017 is all from gas plants. If the carbon price is increased, renewables will fill the generating gap instead of natural gas.

**Figure 2:** Growth of Gas Plants in Alberta



**Source:** [OPINION | Alberta's shift away from coal power is a climate action success story](#), CBC Alberta, Andrew Leach and Blake Shaffer, October 15, 2020

# Border Carbon Adjustments

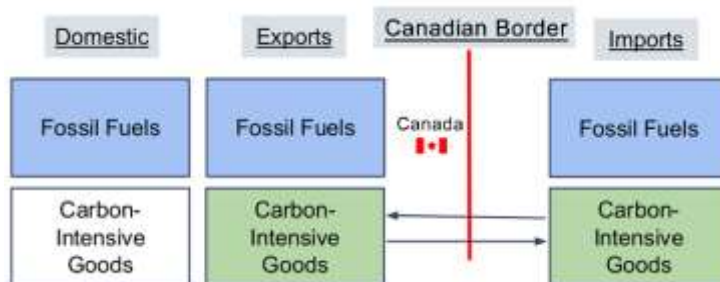
Our Carbon Fee and Dividend policy has a provision built in to protect trade competitiveness: a “Border Carbon Adjustment” (BCA) imposed on carbon-intensive trade-exposed goods [1] that cross our border in either direction. Products imported from a country that does not bear a carbon price equivalent to ours will have to pay a surcharge to make up the difference. Conversely, a Canadian-made product exported to such a country will get a refund for the carbon fee associated with its carbon footprint.

This BCA prevents Canadian manufacturers from being put at a competitive disadvantage in global markets because of the fee. It will also remove the incentive for them to relocate overseas to avoid the carbon fee. In addition, it will encourage foreign countries to adopt their own carbon fee so they would get the money instead of us. Carbon Fee and Dividend’s BCA is designed to comply with international trade law. [2,3]

Note that exported fossil fuels don’t get any special border treatment. Our proposal does not include a refund for Canadian-produced fossil fuels that are exported, and imported foreign oil has the same carbon fee placed on it as domestically produced oil. The BCA applies only to carbon-intensive products, not fuels.

**UPDATE JULY 2020:** The European Union’s COVID-recovery package includes putting forward proposals for Border Carbon Adjustments in the first semester of 2021 with a view to enacting them at the latest by January 1, 2023. Thus, the EU is on track to be the first government in the world to enact Border Carbon Adjustments. [4]

**UPDATE October 2020:** Currently, heavy industrial GHG emitters in Canada don’t pay the full carbon price. In early October, the Parliamentary Budget Office released a report [5] that concluded if governments keep sheltering industrial emitters from carbon pricing to protect their competitiveness, consumers will bear a greater burden for Canada to meet its climate targets. Then on October 29, 2020, the European Union and the Canadian government released a joint statement [6] to continue joint efforts to overcome the COVID-19 pandemic in keeping with shared principles and values of democracy, human rights, and the rule of law and based on the EU-Canada Strategic Partnership Agreement. Specifically, contained within that joint statement were phrases such as: “stressed the urgency to step up global action to tackle climate change,” “implementing the G20 Action Plan agreed by Finance Ministers and Central Bank Governors” and “build back better” while “leaving nobody behind.”



Blue boxes are subject to the fee. Green boxes are subject to the border adjustment. Carbon intensive goods produced domestically that stay in Canada are not touched; it is assumed they will bear the burden of higher fossil fuel costs because of the upstream assessment point for the fee.

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- 1) Provincial Carbon Pricing and Competitiveness Pressures. Canada’s Ecofiscal Commission (November 2015) <http://ecofiscal.ca/wp-content/uploads/2015/11/Ecofiscal-Commission-Carbon-Pricing-Competitiveness-Report-November-2015.pdf>
- 2) Pauwelyn, J. “Carbon Leakage Measures and Border Tax Adjustments under WTO Law.”(21 Mar 2012) In Research Handbook on Environment, Health, and the WTO.
- 3) “Climate and carbon: aligning prices and policies.” OECD Environment Policy Paper No. 1 (Oct 2013).
- 4) EU- COVID Recovery Plan (July 21, 2020) <https://www.consilium.europa.eu/media/45109/210720-euco-final-conclusions-en.pdf>
- 5) Carbon Pricing For Paris: Closing the Gap with Output-Based Carbon Pricing (Oct 2020) [https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/RP-2021-019-S/RP-2021-019-S\\_en.pdf](https://www.pbo-dpb.gc.ca/web/default/files/Documents/Reports/RP-2021-019-S/RP-2021-019-S_en.pdf)
- 6) Joint press release: EU-Canada Leaders’ Virtual Meeting (October 29, 2020) <https://pm.gc.ca/en/news/news-releases/2020/10/29/joint-press-release-eu-canada-leaders-virtual-meeting>



# THE CASE FOR BCAs

## The Greenhouse Gas Pollution Pricing Act

Canada's national carbon pricing policy is a role model to the world. It cuts GHG emissions & it reduces income inequality.



All Canadians are now paying the true cost of emitting GHGs into the atmosphere.



And 80% of Canadians under the GGPPA get more back than what they pay.



## Problem: Large emitters pay small portion

Under GGPPA, large emitters pay a small portion of carbon price. Parliamentary Budget Office says this puts more burden on consumers.

**CARBON PRICING FOR THE PARIS TARGET: CLOSING THE GAP WITH OUTPUT-BASED PRICING**

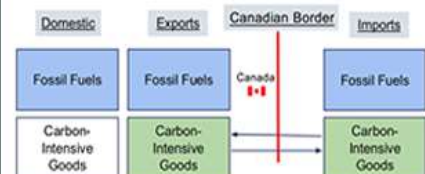


OFFICE OF THE PARLIAMENTARY BUDGET OFFICER  
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

27 Nobel Prize Economists & thousands of economists worldwide endorse carbon pricing akin to the GGPPA.



These experts also endorse rising the price steadily, economy-wide and carbon tariffs, a.k.a. border carbon adjustments (BCAs).



## Solution: Border carbon adjustments (BCA)

The European Union is currently developing a BCA plan with an aim to enact them in Jan 2023.



BCAs will avoid carbon leakage, protect domestic industries, & is a blunt instrument to force countries to use the best evidence to reduce GHGs.



Canada must enact border carbon adjustments.



by Erica Bota



**Citizens' Climate Lobby Canada**  
**Lobby Climatique des Citoyens**

Lobbying for BCAs since September 2010





## **Climate Action Counts: National Climate Group Prepared For Possible Snap Election**

**For Immediate Release: October 20, 2020** Media contact: Cathy Orlando [cathy@citizensclimatelobby.org](mailto:cathy@citizensclimatelobby.org) 705-929-4043

**Sudbury ON:** With the US election two weeks away, and a possible confidence vote in the House of Commons and thus another pending snap election in Canada, elections are top of mind for Citizens' Climate Lobby (CCL) Canada. They want the main federal parties to know that if an election is called, their climate policies will be organized into a table for voters to quickly determine for themselves which party has the most adequate climate policies.

Citizens' Climate Lobby is a non-partisan group and it does not grade party-platforms.

Federal party leaders PM Justin Trudeau, Erin O'Toole, Jagmeet Singh, Yves-François Blanchet, and Annamie Paul should all take note that a recent poll found that 42% of Canadians identify themselves as climate voters and the Fridays For Future youth movement is still very active in Canada.

"The world is at a pivotal moment in history," says Cathy Orlando, CCL Canada's National Director. "Canada could be a world leader in climate action. Our volunteers are here to help Canadians move forward together."

Here is a draft list of the criteria upon which the national parties' climate policies will be scrutinized:

1. 2030 and 2050 GHG emission reduction targets
2. Evidence that their plan will meet the emissions targets
3. Tax reform plans to fund the transition to a low carbon economy such as wealth taxes, digital taxes, closing the stock option loophole, and any other plans.
4. Details on the components used to achieve the rising national carbon price (revenue-neutrality, border carbon adjustments to protect domestic industries, and economy-wide-uniform carbon pricing)
5. Shielding the poor and middle class during the transition
6. Support for fossil fuel workers and farmers during the transition
7. Whether the party supports:
  - border carbon adjustments
  - the Clean Fuel Standard
  - ending all fossil-fuel subsidies
  - Climate Accountability legislation including details such as GHG budgets, mandatory public reporting, adaptation, equity, First Nations considerations, burden-sharing, and a just-transition for all.
  - The National Climate Emergency Declaration
  - Enshrining the United Nations Declaration of the Rights of Indigenous People (U.N.D.R.I.P.) under national law
  - Canada's methane regulations
  - the private member's bill from the Member of Parliament for Cumberland-Colchester, Lenore Zann, Bill-230, National Strategy to Redress Environmental Racism Act
  - Support the Oil Tanker Moratorium Act (C-38) and the Impact Assessment Act (C-69)

*Since September 2010, Citizens' Climate Lobby Canada volunteers have recorded over 1,000 meetings with Parliamentarians and over 3,000 appearances in print media. Its focus is to protect and improve Canada's carbon pricing policy. View the results of Citizens' Climate Lobby Canada's Election 2019 Climate Action Counts survey [here](#) and [below](#).*

# CLIMATE ACTION COUNTS - FEDERAL ELECTION 2019

| Category  | LPC  | CPC  | NDPC  | GPC   |
|---|--|--|---|---|
| GHG targets<br>Mt = Megatonnes of CO <sub>2</sub> eq  | Exceed Canada's 219.3 Mt (30% below 2005) reduction by 2030. Net-zero emissions by 2050.                                 | <b>219.3 Mt</b> (30% below 2005) reduction of GHGs below 2005 levels to be achieved by 2030. | <b>281 Mt</b> (38.4%) reduction of GHGs below 2005 levels, to be achieved by 2030. Net zero-emissions by 2050 | <b>438.6 Mt</b> (60%) reduction of GHGs below 2005 levels, to be achieved by 2030. net zero-emissions by 2050               |
| Carbon pricing  | Current plan is to raise the price until 2022. Work with provinces and territories to determine next steps.              | Will cancel carbon price.  | Maintain carbon pricing policy.   | Maintain carbon pricing policy and rise it past 2022.   |
| Financial impact of carbon pricing                    | Household carbon pricing rebates leave 8/10 households better off.   | The Conservative plan would cost the average family \$295 by 2022.                           | Maintain the household rebate but with no rebate to millionaires.   | Maintain household rebate.  |
| Fuel Standards  | Maintain fuel standards  | Cancel Fuel Standards  | Maintain Fuel Standards   | Maintain Fuel Standards   |
| Transitioning workers                                 | Powering Past Coal is one policy enacted. Smattering of programs.  | Lack details   | They have detailed plans.   | They have detailed plans..  |
| Keeping high carbon / vulnerable industries in Canada | Output-based carbon pricing for Emission Intensive Trade Exposed industries to pay carbon price over certain thresholds. | Vague about the output-based carbon pricing threshold for large emitters.                    | Propose lowering the threshold for output-based carbon pricing from 90% to 70%.                               | Carbon tariffs on countries with lower carbon tax rates. These are also known as border carbon adjustments or border taxes. |
| Stop subsidizing fossil fuels with public money       | Yes by 2025  | Fossil-fuel subsidies "could" be cut to slash corporate handouts.                            | Yes   | Yes   |
| How they will fund the low-carbon transition?         | A \$70 billion multi-pronged plan. Half tax rate for clean tech.   | Will give subsidies and tax credits for industries that use clean tech innovations.          | Use money from canceling fossil fuel subsidies stock option loophole & tax havens. Create a super wealth tax. | Tax reform which will not impact the majority of households..   |
| Climate emergency?                                    | Yes  | No   | Yes   | Yes   |
| Making climate crisis a non-partisan issue            | Created independent review panel. Emergency Declaration Motion step toward enshrining targets under national law.        | Not clear.   | The NDP have been pushing to enshrine science-based targets under national law since 2008.                    | Establish an inner cabinet of all parties to address the climate crisis.  |

**Bloc Québécois: Voted "yes" that we are in a climate emergency and have a plan to end fossil fuel subsidies. Their climate reduction targets are 219.3 Mt (30% below 2005) reduction of GHGs. The Bloc Québécois does not have a national climate plan, but supports policies aligned with Quebec's provincial plan.**

This table was last updated on October 16, 2019.

For more details visit: <https://canada.citizensclimatelobby.org/media-release-climate-action-counts-in-election-2019-and-the-youth-and-the-world-are-watching/>

# **MEDIA RELEASE: Climate cheque petition gets response from minister**

*Volunteer lobbyists push for a small change in how Canada's carbon tax is distributed that would make a big difference in how the tax is perceived, they say.*

**For Immediate Release:** Nov, 23, 2020 **Contact:** Cathy Orlando, phone: 705-929-4043 [cathy@citizensclimatelobby.org](mailto:cathy@citizensclimatelobby.org)

SUDBURY ON: "Our planet matters and your voice matters. I'm here to be your advocate for a greener and cleaner future!" Those were the words of Marc Serre, MP for the riding of Nickel Belt, when he rose in the House of Commons of Canada on Oct. 6 to present a petition signed by 1,249 Canadians that called for the revenues collected by Canada's carbon tax to be distributed as cheques or bank deposits.

"(I am) delighted to file the e-2542 petition initiated by Citizens Climate Lobby Canada to improve Canada's carbon pricing policy," Serre said. "Citizens are calling on the government to continue putting a pollution price and distribute carbon pricing income to Canadians in the form of a cheque or bank deposit remission instead of a tax credit during the tax period."

"Canada has one of the best carbon pricing systems in the world," according to Cathy Orlando, national director for Citizens Climate Lobby Canada and a resident of Sudbury, Ontario. "However, one shortcoming of the system is that people get their carbon pricing income or dividend as a tax credit rather than as a cheque or bank deposit. The result is that, while most people are aware that the government is collecting money from carbon taxes on fossil fuels, not so many are aware of how much of that money they are getting back."

A study by Canada's Ecofiscal Commission showed that Canada must increase the price of carbon to \$210 per tonne by 2030 to meet this nation's current greenhouse gas emission target.

"Such a high price on carbon likely would not be politically acceptable unless the money collected is distributed to everyone as equal dividends," Orlando explained. "In other words, it's crucial for Canadians to understand that unless they are part of a heavily-polluting minority, they receive more money from the system than what it costs them in taxes."

"People need to understand their personal benefits from carbon pricing," said Dr. James Hansen. Although as an American he could not sign it, the world famous climate scientist was one of the petition's early supporters.

"Citizens Climate Lobby Canada's parliamentary e-petition #e2542 asks the Canadian government to make smart, easy changes to accomplish that," Hansen said. "Canada could lead the world."

Jonathan Wilkinson, Canada's Minister of the Environment and Climate Change responded to the petition on November 19.

"Canada's climate plan is working," Wilkinson said. "Canada's greenhouse gas emissions projections show a widespread decline in projected emissions across the economy, reflecting the breadth and depth of the Pan-Canadian Framework."

Cedric Eveleigh, the Citizens Climate Lobby Canada member from Chelsea, Quebec who helped initiate the petition, said he was generally happy with the minister's response.

"I find it satisfactory to learn that they'll 'review the overall approach to pricing carbon pollution by early 2022 to confirm the path forward, with an interim report in 2020' and that 'These review processes will include consideration of the carbon price trajectory after 2022,'" Eveleigh said.

Citizens Climate Lobby Canada is an all-volunteer grassroots organization dedicated to promoting carbon fee and dividend - charging a tax or fee on fossil fuels and distributing the money collected as equal dividends to everyone.

Citizens Climate Lobby Canada has approximately 5,000 registered supporters and 42 active chapters. Over the next few weeks, Citizens' Climate Lobby members will be lobbying their MPs over Zoom across Canada to improve and protect Canada's Greenhouse Gas Pollution Pricing Act and to build political will for a liveable world. One of the items the members will be lobbying for will be what was asked for in the petition - that Canadians receive their Climate Action Incentive rebates through a dividend cheque or a direct deposit.



# e-2542 Petition to the Government of Canada

## Whereas

- Canada has a national carbon pricing policy, legislating all provinces and territories to set a minimum and rising carbon fee—an important step to help Canada in its transition to clean energy;
- In those provinces and territories where the federal backstop applies, we receive “Climate Action Incentives” through Line 45110 in our tax returns, and 80% of us come out ahead;
- Canada’s federal backstop carbon pricing policy is similar to the carbon fee-and-dividend solution, as recommended by 27 Nobel Prize-winning economists, climate scientist Dr. James Hansen, and Citizens’ Climate Lobby;
- Canada’s carbon price will increase to \$50 per tonne in 2022, but that will not be enough to meet Canada’s goal of reducing greenhouse gas emissions to 30% below 2005 levels by 2030;
- Modelling by Canada’s Ecofiscal Commission shows that Canada must increase the price of carbon to \$210 per tonne by 2030 to meet Canada’s current greenhouse gas emission target; and
- Unless the rebates that voters receive are readily apparent as a cheque or bank deposit (rather than an income tax adjustment), an increase in carbon price to \$210 per tonne or more will not be acceptable to many voters.

We, the undersigned, **citizens of Canada**, call upon the **Government of Canada** to steadily increase the carbon price to \$210 per tonne or more by 2030, and to distribute the carbon pricing revenue to Canadians as cheques or bank deposits.

## Response by the Minister of Environment and Climate Change

**Signed by (Minister or Parliamentary Secretary): The Honourable JONATHAN WILKINSON**

The Government of Canada has a plan to fight climate change, drive clean economic growth, and build resilience to a changing climate. This plan includes pricing carbon pollution as a foundational pillar.

Pricing carbon pollution is the most efficient way to reduce greenhouse gas emissions. A well-designed price on carbon pollution provides an incentive for climate action and clean innovation, while also protecting competitiveness and preventing carbon leakage. The Pan-Canadian Approach to Pricing Carbon Pollution, released in October 2016, gives provinces and territories the flexibility to implement carbon pricing systems tailored to their jurisdiction’s unique needs and circumstances, as long as they meet minimum stringency criteria. The federal carbon pollution pricing system applies in any jurisdiction that requests it or that does not implement its own system that meets federal stringency requirements.

Canada’s climate plan is working. Canada’s 2019 GHG emissions projections show a widespread decline in projected emissions across the economy, reflecting the breadth and depth of the Pan-Canadian Framework. In fact, the policies and measures now in place, including those introduced in 2019, are projected to reduce emissions by 227 million tonnes in 2030, the greatest drop in Canadian history. However, the Government of Canada recognize that more action is needed. This is why the Government will bring forward a plan to exceed Canada’s 2030 climate goal. As part of its plan, the Government will:

- Create thousands of jobs retrofitting homes and buildings, cutting energy costs for Canadian families and businesses;
- Help deliver more transit and active transit options;
- Make zero-emissions vehicles more affordable while investing in more charging stations across the country;
- Set legally-binding, five-year emissions reduction milestones based on the advice of experts and consultations with Canadians;
- Appoint a group of scientists, economists and experts to recommend pathways to net-zero;
- Support investments in renewable energy and next-generation clean energy and technology solutions;
- Work with businesses to make Canada the best place to start and grow a clean technology companies;
- Invest in reducing the impact of climate-related disasters, like floods and wildfires to make communities safer and more resilient;
- Complete all flood maps in Canada; and,

Plant two billion incremental trees over the next 10 years, as part of a broader commitment to nature-based solutions that also encompasses wetlands and urban forests.

The Government of Canada has committed to report back on our progress. The Minister of the Environment will report annually to Parliament on the *Greenhouse Gas Pollution Pricing Act*. As committed under the Pan-Canadian Framework on Clean Growth and Climate Change, we will also review the overall approach to pricing carbon pollution by early 2022 to confirm the path forward, with an interim report in 2020. These review processes will include consideration of the carbon price trajectory after 2022.



# About CCL and CCL Canada

Citizens' Climate Lobby (CCL) is an international, non-partisan and grassroots organization that empowers citizens to build political will for what we see as the single most impactful solution to climate change—a national Carbon Fee and Dividend policy. We have approximately 600 active chapters in 60 countries and almost 200,000 members worldwide. In Canada, we cover almost 120 ridings and have 4919 members as of November 1, 2020.

We build political support for climate action with a variety of tools, which we use in keeping with our local culture and politics. By focusing on shared values rather than partisan divides, we build relationships with our community, local leaders and provincial and federal parliamentarians, always starting from a place of respect, gratitude, and appreciation. Through developing respectful relationships, cultivating and demonstrating local support, and promoting a climate solution that has appeal across the political spectrum, we build political will. That is, we move our leaders towards action that will preserve a healthy climate and a livable world.

Since September 2010, CCL Canada has lobbied relentlessly for Canada to adopt Carbon Fee and Dividend as our national carbon pricing policy. Spanning over 10 years, we have lobbied collectively 14 times on Parliament Hill, recorded over 1000 meetings with parliamentarians, and appeared over three thousand times on the editorial pages of Canadian newspapers. In May 2020, because of the COVID pandemic, we conducted our first online conference. In 2020, as of November 1, 2020, our volunteers have recorded 98 lobbying sessions with Parliamentarians in 2020 – almost all of them on Zoom.

On October 13, 2018, Citizens Climate Lobby was in Ottawa for the 13th time. And thirteenth time lucky is what the foray onto Parliament Hill will be remembered as. While on the Hill, there were indications that Carbon Fee and Dividend was going to be announced as the official backstop policy for pricing carbon pollution in Canada. At that time the senator for Edmonton, AB Senator Grant Mitchell said, *"You are one of the most successful lobbying groups I have worked with because you are about to get what you lobbied for."* Subsequently, three MPs and an Environment Minister in a Canadian province have confirmed that the focused work of our volunteers were helpful in determining the final structure of Canada's carbon pricing policy.

As all seasoned activists know that gains made must then be defended. As well, we are in a global emergency, Canada's current carbon pricing policy needs a lot of improvements, and we have a minority government which means an election can be called at any time. For these reasons, CCL Canada is doubling down on our efforts to build political will for effective carbon pricing and defend our hard won gains. We updated our [Carbon Pricing Guidelines](#) document and we have set-up a framework for [scrutinizing the climate policies](#) of Canada's federal parties if a snap election is called. In May 2019, we determined that we would also lobby specifically for [climate accountability laws](#).

We are action-oriented, highly focused, we have fun and we are not guessing. In less than 10 hours a month, guided by [our core values](#), especially our superpower, focus, our volunteers are continuing to create the political will locally for effective carbon pricing in Canada. Learn more about us at <https://canada.citizensclimatelobby.org/>.

