An aerial photograph of a river network, showing a dense web of waterways flowing through a landscape. The water is a mix of blue and white, suggesting rapids or fast-moving currents. The surrounding land is green and brown, indicating a mix of forest and open land. A white rectangular box with a black border is superimposed over the center of the image, containing the main title and subtitle in black text.

# **HEATING UP, BACKING DOWN**

## **EVALUATING RECENT CLIMATE POLICY DEVELOPMENTS IN CANADA**

Hadrian Mertins-Kirkwood, Canadian Centre for Policy Alternatives  
ACW All-Team Meeting, York University  
November 10, 2018



# RESEARCH QUESTIONS

What policies are Canadian governments putting in place in 2017 [and 2018] to transition toward a low-carbon economy?

- How do the likely emission reduction impacts of new policies compare to governments' emission targets?
- How do new policies compare to similar policies in other jurisdictions?
- Do new policies address the need for a just transition for vulnerable workers and communities?
- Do new policies augment or undermine existing policies, including at the international level (e.g. Paris Agreement)?
- Are new policies as ambitious as called for by the scientific and economic communities?

## SUMMARY OF FINDINGS

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Most individual provinces and Canada as a whole are not on track to meet emission reduction targets

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Implementation of previously-announced climate policies is slow and incomplete across Canada

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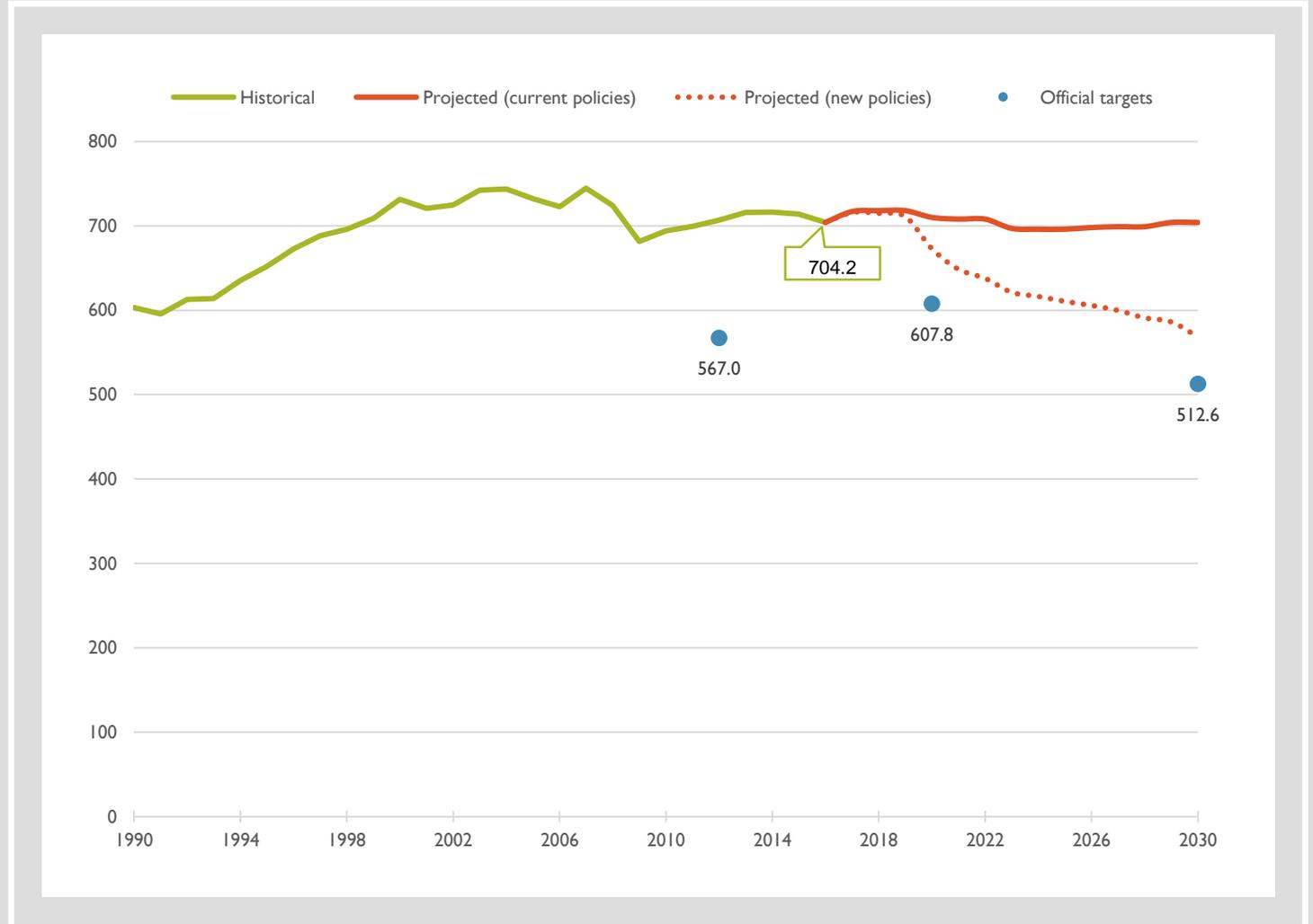
Few new climate policies were introduced in 2017/2018 commensurate with the scale of the climate change challenge

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The Canadian climate policy conversation continues to overlook key issues

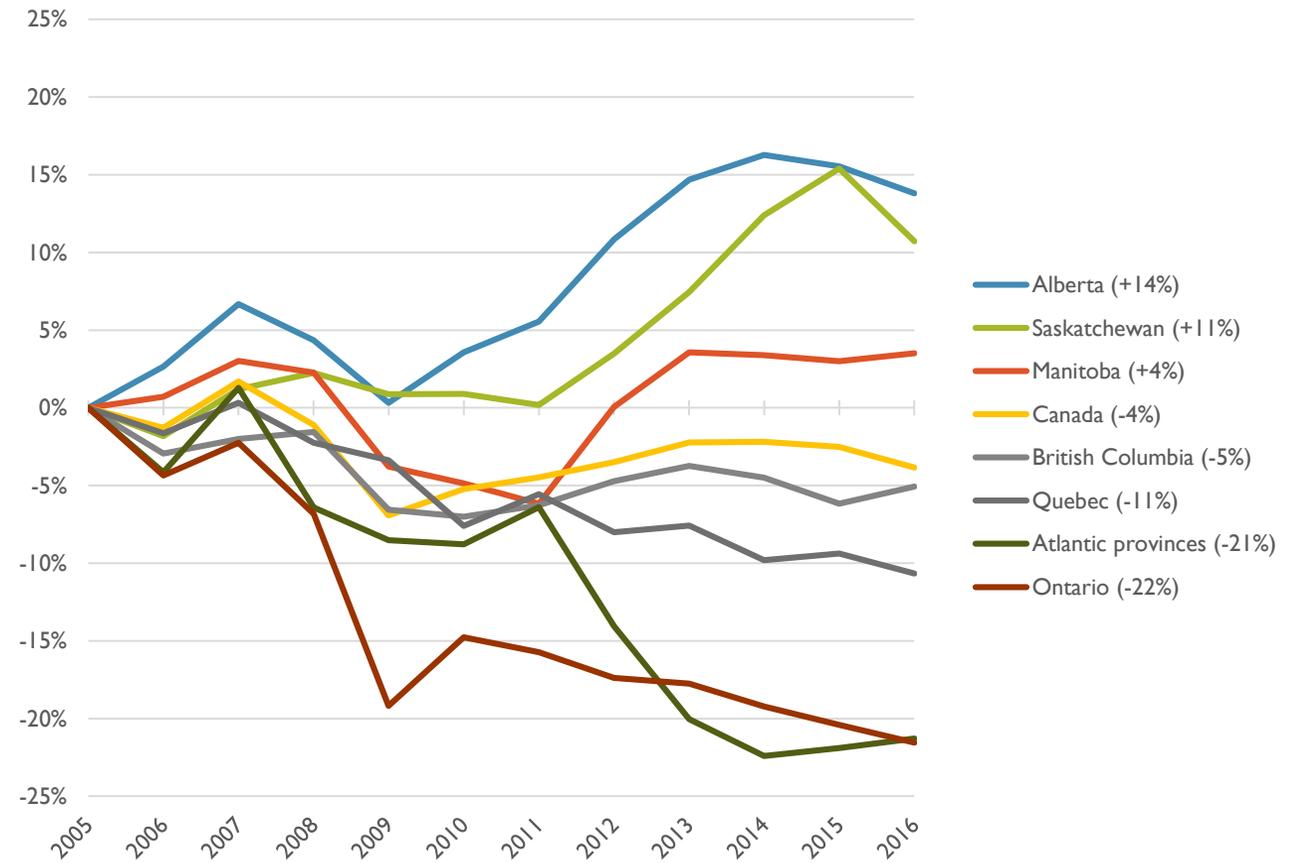
CURRENT CANADIAN  
CLIMATE POLICY IS  
INADEQUATE FOR MEETING  
EMISSIONS TARGETS

- The *Pan-Canadian Framework on Clean Growth and Climate Change* alone will not achieve Canada's Paris Agreement target
- No major new climate policies introduced in 2017/2018 to close the gap
- Ongoing subsidization of fossil fuel infrastructure undermines climate policies



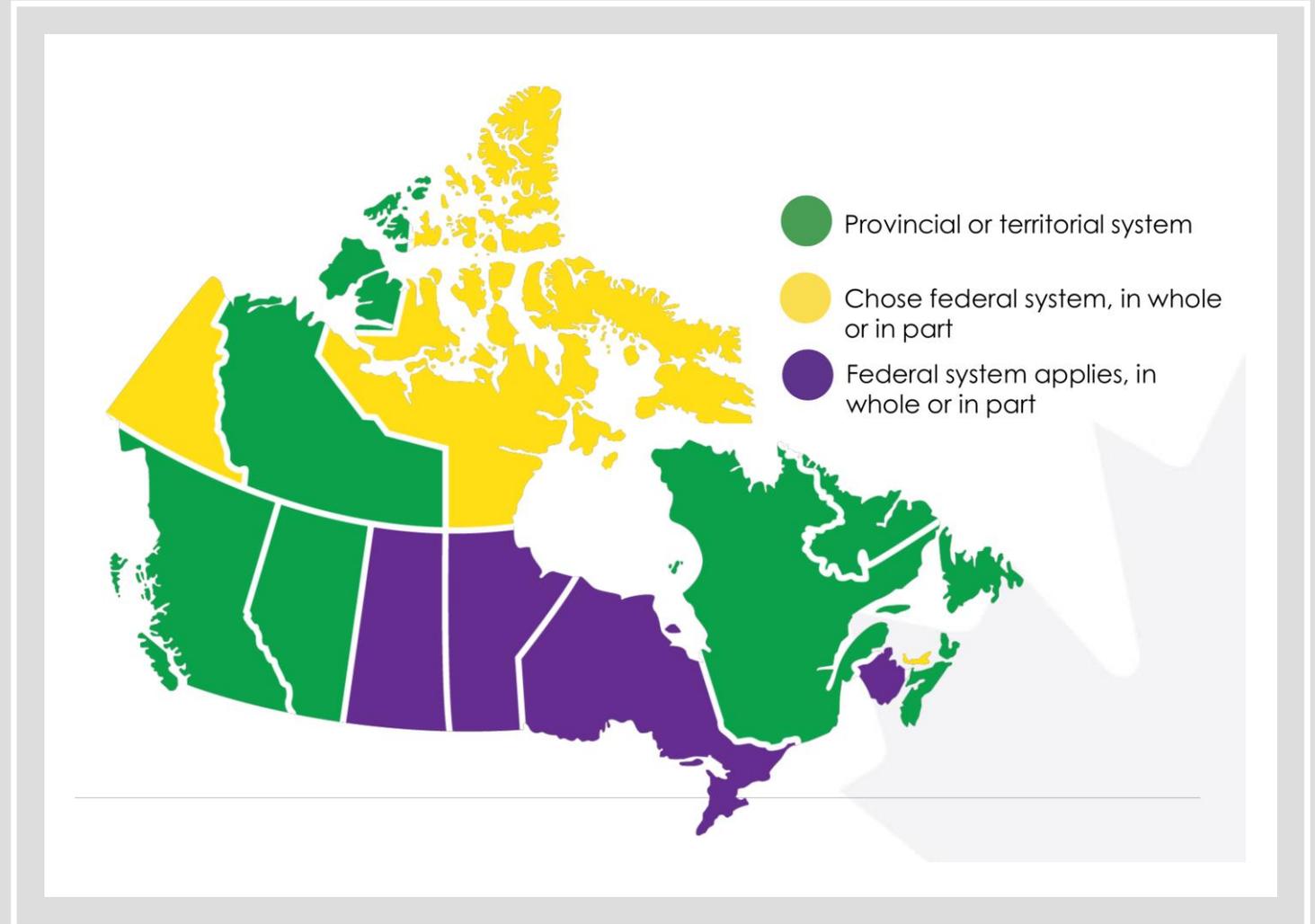
## PROVINCES ARE LAGGING ON CLIMATE POLICY DEVELOPMENT AND IMPLEMENTATION

- Since 2005, every province except AB, SK and MB has decreased overall emissions...
- ...but only NS is clearly on track to meet future emissions targets
- New climate plans released in SK, MB, PEI, NWT in 2017/18
  - New plans expected soon in BC, ON, N&L
- Implementation of many policies has been delayed or watered down and some policies have been reversed



## CARBON PRICING WILL BE IN EFFECT ACROSS CANADA IN 2019

- Federal backstop policy will be imposed in SK, MB, ON, NB
  - Court challenges from SK and ON are ongoing
- Carbon price of \$10-50 / tonne is too low to drive deep emissions reductions
- Federal government will recycle 90% of backstop pricing revenues directly to households in each province
  - Carbon dividends are not a climate policy



# KEY ISSUES IN CANADIAN CLIMATE POLICY

2016

## Baseline Report on Domestic Policy

- Most governments have made climate action a rhetorical priority
- Provincial climate policy lacks cohesion and cooperation
- Fossil fuel subsidies are a major barrier to progress
- Climate policies target the low-hanging fruit, rather than making structural changes

2017

## Tracking Progress

- An ambition gap exists between government climate policies and official emission targets
- Canada has a deep economic dependence on fossil fuel production and consumption
- Climate plans lack workforce transition policies

2018

## Heating Up, Backing Down

- Carbon pricing is increasingly and problematically viewed as synonymous with climate policy
- A focus on demand-side climate policies distracts from the need for supply-side energy policies

# KEY ISSUES IN CANADIAN CLIMATE POLICY (2018)

## Carbon pricing is increasingly and problematically viewed as synonymous with climate policy

- Partisan divide over carbon pricing risks alienating conservative voters who otherwise support climate action
- Battle over provincial autonomy risks alienating sub-national governments that retain control over key policy areas (energy, transportation, etc.)
- Carbon pricing is the most economically efficient climate policy, but not necessarily the most effective policy for reducing emissions and ensuring climate justice

## A focus on demand-side climate policies distracts from the need for supply-side energy policies

- Coal, oil and natural gas will remain economically productive even after we've switched to renewable energy
- Greenhouse gas emissions are only attributed to the end consumer, so fossil fuel exporters can effectively bypass domestic emission reduction targets
- Supply-side climate policies have practical advantages, including greater public support and more immediate impact on emissions