

# Climate Policy in the 2019 Canadian Election



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# How to think about climate plans

- Targets – jurisdiction-wide, or sector specific
- Compulsory policies
  - Carbon pricing
  - Regulations
- Direct provision of a good
- Spending/subsidies
  - Tax breaks etc can incentivize behaviour but are typically less effective and efficient

## **Be wary of targets or commitment without compulsory policies**

- “electrifying transit and other municipal fleets by 2030” (NDP)
- “foster the adoption of renewable power technologies” (CPC)

## **Be wary of commitments without details**

- “Set emission standards for major emitters that will lower greenhouse gases” (CPC)

# The existing policy landscape

Core Trudeau government policies + provincial policies

2030 Target: 30% reduction

Coal phaseout by 2030

Federal “backstop” carbon price

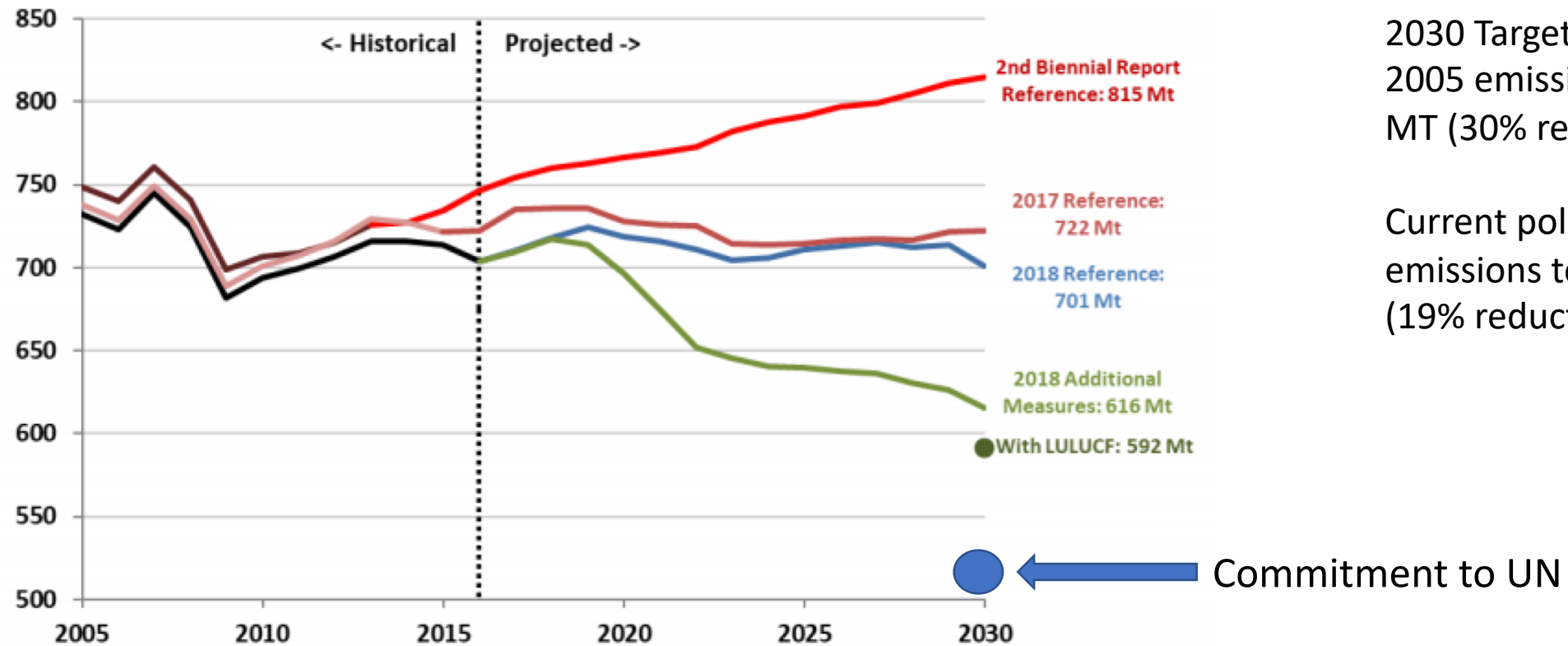
Clean Fuel Standard

Methane Regulations

2019	\$20/tonne
2020	\$30/tonne
2021	\$40/tonne
2022	\$50/tonne
2023 and beyond	??

# Current policies get us 63% of the way to target

Figure 10: Scenarios of Canadian Emissions to 2030 and Projected Reductions in 2030 (Mt CO<sub>2</sub> eq)



2030 Target = 513 MT  
2005 emissions: 732  
MT (30% reduction)

Current policies reduce  
emissions to 592 MT  
(19% reduction)



2030 target	30%	30%	38%	60%
Carbon price	Carbon tax \$20 --> \$50 per tonne with rebates	No carbon tax, promise industry standards but no details	Keep carbon price (but don't specify level), roll-back industry rebates	"maintain" – no details
Fuels	Clean Fuel Standard	Eliminate CFS	Not addressed	Not addressed
Electricity	Coal phase out by 2030	"Foster" renewables	Net zero by 2030, zero by 2050	100% renewable by 2030
Buildings	Work with provinces on net zero ready buildings by 2030	Tax incentives for retrofits	New buildings net zero ready by 2030	New buildings net zero by 2030
Other	Methane regulations	"Canadian clean" – rely on reductions elsewhere in world	Big subsidies in pursuit of 100% ZEV in 2040, just transition	<b>No new fossil fuel projects, ban fracking, bitumen banned 2035</b> All new cars ZEV by 2030, support just transition

# Overall evaluation



Meaningful policy instruments but settings not yet strong enough to meet target



Significant weakening of policy, will lead to emission increases and increased costs



Stronger target, strong preference for spending over compulsory policies. Effect uncertain



Dramatic increase in target and policy stringency. Feasibility of some proposals uncertain

# Conservatives' Plan



## 2030 Target: 30% reduction

### 1. Green Technology, Not Taxes

“encourage and support the development of green technology to make environmentally friendly alternatives available”

Promise industry standards and requirements that companies will invest in emission reduction technology if they don't meet standards – no details

Green homes tax credit

Voluntary net zero ready building standard

Subsidized green technology fund – match \$4 private with \$1 government

### 2. A Cleaner and Greener Natural Environment

“encourage community engagement and consultation” but not specifically on climate

### 3. Taking the Climate Change Fight Global

Brand exports as Canadian Clean and use Article 6 of Paris Agreement

# New Democratic Party Plan



- 2030 target: 38% reduction
  - “put into law a requirement for the government to establish a plan to meet GHG emissions reduction targets that will help stabilize the global temperature rise to 1.5 degrees”.
  - They say the policies and actions outlined in the plan will reduce emissions to 450 Mt by 2030 (which is 38% below 2005 levels).
- Carbon pricing (doesn't specific any level)
- Building codes every new building is “net-zero ready” in 2030
- Strong sector targets but no mechanism specified to back them up
- Heavy reliance on subsidies rather than regulations (ZEV, mass transit, building retrofits, carbon-free electricity)
- Support for just transition



# Green Party Plan

- 2030 target: 60% reduction
- **Maintain carbon pricing** (limited details)
- **New buildings net zero by 2030**
- **Bans new fossil fuel development**
- **Bans fracking**
- **Bitumen production phased out between 2030 and 2035**
- **End fossil fuel imports**, increase domestic refining
- **100% renewable electricity by 2030**
- Cancel Trans Mountain Expansion Project, spend money on building East-West grid
- Zero-carbon public transit by 2040
- **Ban new ICE by 2030**
- Cross-party inner cabinet
- Support for just transition