

February 22, 2016

Dear Prime Minister Trudeau,

We are very encouraged by the leadership your government demonstrated during the UN Conference on Climate Change in Paris. Canada was an early advocate of limiting the rise in global temperature to 1.5 degrees Celsius above pre-industrial levels and of incorporating human rights, including Indigenous peoples' rights, gender equality and a just transition for workers, into the Paris Agreement. Meeting these standards will require an ambitious action plan.

As you prepare to meet with leaders of provincial and territorial governments to discuss new climate policies we propose that you endorse the following policy initiatives:

1. A new science-based emission reduction target consistent with a 1.5°C temperature rise.

Canada needs to replace the previous government's goal of cutting greenhouse gas (GHG) emissions to 30% below their 2005 levels by 2030 with a new science-based emission reduction target consistent with holding the rise in global temperatures to 1.5°C.

- There is a limited total carbon budget that we can emit before going above a 1.5°C rise in global temperature.
- Cutting our emissions as much as possible as soon as possible will set us on a path to achieving this goal, whereas delayed action may preclude any possibility of staying under a 1.5°C rise.
- At the G8 summit in L'Aquila, Italy in 2009 Canada committed to lowering carbon emissions by 80% below 1990 levels by 2050.
- Climate Action Tracker has calculated that Canada needs to set a more ambitious 2030 goal of reducing industrial GHG emissions by at least 73% below 2005 levels, which would be 67% below 1990 levels.ⁱ

We urge the government to set annual goals toward these targets, and track and report progress on reaching those goals.

2. A clear and measurable plan for a just transition to 100% renewable energy by 2050.

- Canada needs to transition to 100% reliance on low-carbon electricity by 2035ⁱⁱ and strive for 100% reliance on renewable sources for all forms of energy by 2050.
- Investing in renewable energy will create up to eight times as many jobs as investing in oil and gas extraction.

3. Eliminating subsidies to fossil fuel industries and investing in a green economy.

The 2016 federal budget is an opportunity to act on Canada's 2009 promise to eliminate subsidies to fossil fuel industries and announce significant initiatives to support public transit, invest in green infrastructure and promote clean technologies as you promised during the election campaign.

- Oil Change International estimates that annual Canadian subsidies to these industries averaged \$2.9 billion over 2013 and 2014, with \$1.7 billion of this from the federal government.ⁱⁱⁱ
- Additional revenues to meet the needs of a green economy can be obtained from a financial transaction tax.^{iv}

4. A carbon fee set at \$30 per tonne of GHGs and a commitment to increase it over time.

We urge the government to establish, in consultation with the provinces and territories, a national standard for pricing carbon emissions through a carbon fee set initially at \$30 per tonne of GHGs and increasing in steps to a level consistent with limiting temperature increases to 1.5°C.

- A steadily rising price on carbon is essential to achieving the CO₂ emission reductions goals.
- Public acceptance can be obtained by designing a program that provides a dividend refunded to middle- and low-income households.
- With the price of oil so low this is an opportune time to introduce a carbon fee commensurate with the impact of CO₂ emissions on our climate.
- A carbon fee would work well in combination with other regulatory measures.

5. A far reaching, permanent regulatory approval process for assessing energy projects.

A new, permanent regulatory approval process for assessing energy projects, including pipelines, must be put in place to replace the flawed process under the National Energy Board.

- Although the interim assessment measures announced in January for the Trans Mountain and Energy East pipelines are a step forward, they need to be strengthened.
- While the interim measures pledge “meaningful consultation” with Indigenous peoples and accommodation where appropriate, they fall short of endorsing Indigenous peoples’ rights to free, prior and informed consent as required by the UN *Declaration on the Rights of Indigenous Peoples* which your government has promised to uphold.
- While they promise to assess the upstream greenhouse gas emissions linked to projects under review, they do not take into account the larger downstream carbon footprint of the products carried once they are burned. Whether emissions are generated in Canada or overseas they have measurable injurious consequences for our climate.

6. \$4 billion a year for climate adaptation and mitigation measures in the Global South.

Prior to the Paris conference you announced \$2.65 billion in funding, over five years, for climate adaptation and mitigation measures in developing countries.

- Based on precedents where Canada has contributed 3% to 4% of multilateral funds, Canada’s fair share of the US\$100 billion promised in the Paris Decision document would require a contribution of \$4 billion a year by 2020.

This is a defining moment for your government – and indeed for our country. You have a tremendous opportunity to set Canada on the path to a safer climate future. It will take both vision and courage to take this path. You can do so knowing you have a broad base of support.

Climate change poses many significant threats to world peace if decisive actions are not taken. Urgent and concrete action is also intrinsically linked to the well-being of all Canadians, especially young Canadians, who would disproportionately bear the burden of inaction.

Current and future generations are counting on you to be brave and wise and to lead us towards a prosperous, equitable and sustainable future.

- i See Climate Action Tracker's Assessment of Canada's INDC and click on "Fair Share" at <http://climateactiontracker.org/countries/canada.html>
- ii See Acting on Climate Change: Solutions from Canadian Scholars at http://www.sustainablecanadialogues.ca/files/PDF_DOCS/SDC_EN_30march1r.pdf
- iii See Oil Change International. *Empty promises: G20 subsidies to oil gas and coal production* at http://priceofoil.org/content/uploads/2015/11/Empty-promises_main-report.2015.pdf US dollar figures converted to Canadian dollars at average exchange rates for 2013 and 2014.
- iv See "An Idea Whose Time Has Come: Adopt a Financial Transactions Tax" *Briefing Paper No. 24*, May 2010 at <http://www.climatefast.ca/resources/adopt-financial-transactions-tax-briefing-paper-kairos>