



# Citizens' Climate Lobby Lobby Climatique des Citoyens

Since September 2010, Citizens' Climate Lobby (CCL) Canada members have been lobbying their federal parliamentarians for carbon fee and dividend: a national, upstream, and incrementally rising carbon tax where 100 percent of the money is returned to citizens on an equitable basis in a cheque.

On October 3, 2016, Prime Minister Trudeau announced Canada will have a national price on carbon. The carbon price starts at \$10 per tonne in 2018 and rises to \$50 per tonne in 2022. We applaud the 42<sup>nd</sup> Parliament for taking this step to secure a healthy climate for us and future generations. However, \$50 per tonne won't be enough to meet Canada's goal of reducing emissions to 30% below 2005 levels by 2030. Furthermore, our current goal is [woefully inadequate](#) to the challenge posed by climate change. If every country adopted Canada's targets, this would not keep warming below 2°C, let alone the 1.5°C nations [promised](#) to pursue in Paris. In short, we are off to a great start, but must do better.

## Our recommendations:

CCL Canada recommends that the government adopt a modified version of its recently announced carbon pricing policy to ensure Canada's carbon pricing is effective, fair, and stimulates our clean tech industry. An annually rising minimum fee past 2022 is an important step. The federal government must also provide clarity on the fee's comprehensiveness. A fee applied at the wellhead and point of import in all provinces will most effectively reduce Canada's greenhouse gas emissions and send an economy-wide signal to invest in clean tech alternatives. A fee on some sectors and not others defeats its purpose, burdens some industries and not others and will undermine Canada's climate commitments.

Additionally, a steadily rising fee will also require that revenue be returned to Canadians to protect those with low and middle incomes. Finally, a study by [Regional Economic Modeling Inc](#) found that carbon fee revenue returned to people would stimulate local economies and most importantly reduce GHG emissions.

## The simple steps needed:

1. That the carbon fee be applied upstream: at the wellhead, coal mine or point of entry into the economy.
2. That the national carbon price continue to rise past 2022 with the objective of Canada exceeding our Paris targets and becoming a world leader in tackling the climate crisis and in the clean tech industry.
3. Border tax adjustments must be included in the policy to level the playing field for domestic industries with international jurisdictions without a similar carbon price.
4. That the federal government work with the provinces and territories to ensure provincial carbon pricing systems can keep up with the rising federal minimum carbon price without imposing any additional burdens on low and middle income Canadians. For example, the federal government could propose fee and dividend as a model policy. This could help overcome some of the opposition faced in carbon-intensive regions such as Saskatchewan and Alberta as carbon fees continue to rise.
5. To ensure that there is a consistent policy towards combatting climate change, that the federal government, as promised in the 2015 election, end financial subsidies to fossil fuel companies.

CCL is grateful for your service to Canada and for recognizing the myriad connections between the climate crisis and the many problems on Earth. It is 100% possible to begin to tackle many of these problems at one time with an effective carbon pricing policy and we are here to help you at this time of change.