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Submission to the Government of Canada's Conversation on Climate Change

Blue Green Canada is an alliance between Canadian labour unions, environmental and civil society organizations that advocates for working people and the environment by promoting solutions to environmental issues that have positive employment and economic impacts. Our membership includes the United Steelworkers, Unifor, Environmental Defence, the Columbia Institute, Clean Energy Canada, the Broadbent Institute, and the Pembina Institute.

Blue Green Canada believes that a sustainable economy must provide good jobs and protect the environment, not one or the other. We support efforts by our federal and provincial governments to meet the aggressive targets in the Paris Agreement on Climate Change, aimed at keeping the increase in global average temperature to well below 2°C above pre-industrial levels and the aim to limit the increase to 1.5°C in order to significantly reduce the risks and the impacts of climate change. We recognize that these targets require transformative changes to the lives of Canadians and to the Canadian and global economies. An important first step toward this change is for Canada's climate change plans to recognize the need for the transition to a low carbon economy to be a justice and equity-based transition.

Below we share our positions on a variety of issues the pan-Canadian Climate Change Framework must address. Several of our member organizations have also submitted comments and policy suggestions to help shape the pan-Canadian framework. Collectively we would like to continue to engage our federal, provincial, and local governments on the urgent actions that must be taken to address climate change and transition to a low carbon economy.

On Just Transition:

Blue Green Canada supported our governments' international advocacy for just transition during the Paris climate change negotiations. We request that government match this important international advocacy with action at home through implementation of just transition programs where they are needed across the country. Our national climate change framework must embrace just transition principles including:

- A pledge to ensure that any costs of our transition to a low carbon economy are not disproportionately and unfairly borne by working women and men.
- Support of reviews of labour force market impacts at community and provincial levels to assess impacted work forces and which transition strategies may be needed.
- Recognition that industry, governments, workers, and unions all need to be involved in crafting transparent and workable just transition plans. Plans need to be flexible and designed for specific workplace and community realities.
- An acknowledgment of the need for industry supported transition funds for impacted workers and communities.
- An acknowledgment of the need for policies in support of impacted workers including support for retraining for new job opportunities, employment insurance flexibility for worker transitions, enhanced severance and salary continuance, pension bridging, and early retirement options.

Canada's climate change plans must protect good jobs, help modernize industry, and provide education and re-training when employment impacts of climate change policies cannot be avoided. Just transition programs need to be tailored to the circumstances of workers and their communities rather than a one size fits all approach.

On National Carbon Pricing:

Given that the government is exploring broad, economy-wide carbon pricing mechanisms, Blue Green Canada suggests that any carbon pricing system must be designed to reduce greenhouse gas (GHG) emissions, encourage innovation, help create good jobs, and protect energy intensive trade exposed industries from undue competitiveness impacts.

A national carbon pricing system must be fair to low income people and workers and should promote the creation and retention of good green jobs. Any carbon levy should be simple and predictable, should encourage continuous improvement at the facility-level, and should increase in stringency over time. The revenues raised from carbon pricing should be reinvested in ways that reduce greenhouse gas emissions, create high quality jobs, and help communities adapt to the impacts of climate change.

Many of Canada's highest GHG emitters are in trade exposed sectors including steel, mining, smelting, and some manufacturing, and as such carbon pricing must not disadvantage these Canadian industries. This may be partially accomplished through border adjustments that place a tariff on imported carbon intensive goods. In the development of a national carbon pricing system, the federal government could explore and investigate the application of carbon border adjustments.

On Oil and Gas Production:

Oil and Gas production is the largest contributor of GHG emissions producing 192.3Mt in 2014 and accounting for 26% of Canada's total GHG emissions. The extraction and production of petroleum products from the oil sands represent Canada's fastest growing source of emissions. The pace and scale of oil sands development must respect this reality and meaningful steps should be taken to achieve emissions reductions from the oil and gas sector. Blue Green Canada supports the government of Alberta's introduction of a 100 MT cap on emissions from the oil sector.

Canada can fight climate change and create jobs by taking actions that transition us away from a dependence on polluting fossil fuels. Financial subsidies to the fossil fuel industry are one of the least effective means to create jobs, particularly when compared to assorted lower carbon investments like renewable power, public transit, and energy efficiency. Renewable energy and other low carbon sources generate more jobs than the fossil fuel sector per dollar invested. Investing heavily in oil and gas risks putting our economy on shaky ground and ties up funds that would be better served transitioning to a green economy. Canada must work to develop all of its resources in a sustainable manner and build a greener and more prosperous economy for all.

On Transportation:

Transportation is the second largest contributor of GHGs, producing 171.3 Mt in 2014 and accounting for 23% of Canada's total GHG emissions. As such, this sector offers tremendous opportunities for significant GHG emissions reduction. To reduce emissions in the transport sector, Canada needs to drive a transition towards zero and low-emissions transportation modes, increase the use of cleaner fuels in Canada, invest in public transit, and encourage denser, mixed-use communities.

Canada's transportation sector is a major employer with the auto industry directly employing 120,000 people in 2014. Thousands of indirect jobs are created to supply the auto industry including: jobs in steel, plastics and other manufacturing and services. Including these and other indirect jobs, the auto industry is responsible for more than 400,000 jobs across the country. With government support through increased domestic procurement, Canada's transportation sector has the real potential to grow and provide more decent family-supporting jobs. The government should use all available policy options to ensure increased domestic procurement of Canadian-made personal and public transit vehicles while increasing stringency for measurable improvements in environmental performance.

On Transit: Lower income people and new Canadians are disproportionately impacted by Canada's deficit of suitable public transit forcing them to either spend thousands of dollars annually driving to work through congested streets or spend hours each day on infrequent and ineffective transit to get where they need to be.

Recent government transit funding announcements and plans are important. And while new funds are welcomed we must have a longer-term view to build out public transit throughout our major cities and improve regional commuter transit nationally.

Our cities' public transit systems are not being maintained or growing at a rate that keeps up with demand for their services. As more people choose transit, more investments are needed to expand transit systems. Those that need public transit the most are often in communities with the worse transit options. This creates "transit deserts" where transit service is of vital importance to people but it is not available in a reliable way. This in turn leads our cities to suffer through congestion and lost productivity due in part to poor transit service. Lack of access to good transit options contributes to more people commuting by car and increasing overall GHG emissions from transportation.

In addition to maintaining and strengthening existing revenue sources, a national transit plan that provides increased and lasting investments in public transit infrastructure as well as near term funding to improve and expand existing transit operations would go a long way to address these problems.

On Fuels: Canada should introduce new legislation on a national Low Carbon Fuel Standard (LCFS) for all transportation fuels. The LCFS should require measured and verified decreases in CO₂e intensity by 2020, further decreases by 2030, working toward near elimination of emissions by 2050. The LCFS should be designed to be increasingly stringent through time, providing clear and transparent signals to fuel producers and vehicle manufacturers for their investments and technology development plans.

On Energy Efficiency and Building Retrofits:

Buildings are one of our largest users of energy accounting for 12% of Canada's GHG emissions, the third largest contributor in 2014. With decisive action, mitigation strategies in residential and commercial buildings could avoid almost all of these building-related GHG emissions while creating new jobs across the country. Energy efficiency retrofits are one of the most cost effective ways to create green jobs, yielding between 13 and 16 direct jobs for every \$1 million of increased economic output. The costs of these emissions reduction and energy efficiency strategies are offset by lower energy bills saving homeowners and businesses money.

Blue Green Canada encourages the government to invest in improving our nation's buildings and built infrastructure in ways that tackle a significant share of our collective GHG emissions and employ thousands of skilled workers to improve communities and make them more resilient. Blue Green Canada believes that government could start this work and see immediate benefits through the restoration of an ambitious residential retrofit incentive program.

Building codes for all new construction should be set to meet near zero energy standards by 2025, and work with the province to facilitate their adoption. We urge the federal

government to lead by example, and to begin constructing near zero energy buildings effective in 2017. Further, the federal government should develop a performance-based standard for retrofits that provide targets suitable for small and major renovations, and should set best-in-class energy and water use standards for equipment and appliances.

Throughout this, government should provide support for education and training of professionals and trades involved in retrofit and new construction projects.

Government should create local good green jobs by mandating upgrades to public buildings through deep energy retrofits and beginning construction of near zero energy public buildings.

On Electricity Generation:

Generating electricity creates about 11% of Canada's total GHG emissions. As government encourages a shift away from fossil fuel generated electric power there will be an increased need for investments in near zero carbon emission power. For Canada to thrive in a low carbon economy our leaders and policy makers need to back up their promises with strong policies and results. If promises made translate into strong policy, they will drive the next steps forward in Canada's clean energy transition.

Provinces will require stronger policies, incentives, and just transition programs to move their energy systems off coal and fossil fuels and onto a higher proportion of renewables. These measures will be critical to attract clean energy investment in the years ahead. The dollars we invest in clean energy innovation today will pay dividends. The skills and expertise Canadians are developing will be in demand around the world.

On an Accelerated Phase out of Coal-Fired Power Generation: Given that the government is looking to reduce emissions from the electricity sector, including accelerating emissions reductions from coal-fired power plants, Blue Green Canada requests that federal and provincial governments work collaboratively with communities who will be affected by an accelerated transition away from coal-fired power. All levels of government must ensure workers are treated fairly in this process. Just transition programs, including training to help impacted workers transition into other areas of the economy, relocation support, worker transition funds, and other provisions will be needed for workers and communities impacted by an accelerated coal phase out.

Should the federal government join provincial trends and commit to an accelerated phase-out schedule beyond its existing 50-year limit, Blue Green Canada supports policy requirements that ensure a significant portion of the new electricity infrastructure is provided by renewable sources. Public investments in renewable power should create local jobs by including domestic procurement requirements for new renewable power.

Summary:

Transitioning to a green economy is not a simple task. As we continue this national conversation to identify ways to mitigate our collective contributions to climate change all sectors of the economy must be reviewed. Across the country we must work together to develop resources in a sustainable manner, to support the development of innovative solutions, and build a greener and more prosperous economy. It is time to give up the notion that there is a trade-off between the economy and the environment and recognize that with the right public policy, we can create the conditions so that both will thrive.

Blue Green Canada looks forward to working with all levels of government to advance a shared agenda of building an economy that provides good jobs, protects the environment, respects workers, and supports a prosperous Canada for present and future generations.