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Changing the Conversation

Post COP21: Next Steps

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Ann Dale

Welcome to this virtual round table on the next steps for Canada following the COP 21 agreement in December. I am looking forward to a stimulating and robust conversation about climate action and innovation Canada could be leading. If you are interested in our research on climate innovation in British Columbia, please go to <http://www.mc-3.ca>.

I would like to acknowledge the passing of a dear friend, colleague and another of Canada's environmental pioneers, [Dr. Jim MacNeill](#), he will be missed by many across the country.

I am delighted to be joined by Elizabeth May, Leader of the Green Party; Professor Catherine Potvin, fearless leader of the Sustainable Canada Dialogues; Professor Leslie King, well-known senior scholar at Royal Roads University; and Yuill Herbert, one of this country's foremost climate change activists. Most of us were in Paris in varying roles, and were excited by "Canada back at the table!"

But now the hard work begins, how to meet our international commitments, our obligations to future generations, when we have a priori decisions, technological lock-in to less sustainable infrastructure, and path dependency? The recently announced budget is a step in the right direction, but is it big and bold enough to meet the aspirational goal of a one degree limit in global temperature increase?

Obviously have a big job to do, so, the kind of changes we need are beyond any one sector, any one level of government, any one discipline or any one country to implement to achieve global reductions. So my first question and let's start with the assumption that **our goal is a carbon neutral economy by 2050.**

What are your top three priorities for the Liberal government to realize major reductions in greenhouse gas emissions in five, ten, twenty years?

Let the conversation begin.

Leslie King

So sorry about Jim McNeil -- a pioneer in the Canadian environmental movement. Thanks Ann for letting us know. In response to your first question:

Build on the hope of the Paris agreement-- Paris sent a signal and the aftermath has been extraordinary -- Globe 2016 -- The Vancouver Declaration-- premiers talking to each other and Federal Government, the Obama Trudeau agreement to take leadership to lead the world to a low carbon economy, We need to build on that momentum.

I did not put a time frame on my priorities but here they are:

1. Incentives for renewables -- National Carbon price -- high price with certain increases (work with provinces to build on their initiatives.
2. Leave fossil fuels in the ground -- address supply as well as demand-- promote investment in renewables and disinvestment in fossil fuels -- remove subsidies. Invest in public transit, urban design and retrofit, efficiency, building codes, district energy, electric vehicles etc.
3. GHG emissions legislation--Measurement and reporting -- stock taking -- tracking on smart phones

and....Clarify goals -- strategy, policy, planning, -- bring back the Roundtable -- Roundtable on Climate Action, Climate Action Charter.....

Catherine Potvin

I would say engaging with the premiers and municipalities on a national framework is the first priority. Second, promoting renewable energy. And third, beginning discussion on phasing out fossil fuels.

Ann Dale

Catherine, can you unpack that a little, a national framework on what? To do what?

Catherine Potvin

The work of Sustainable Canada Dialogues recognizes that there are several levels of governance that all need to act together to create synergy and make the most of climate policy options. And these levels of governance are municipal, federal and First Nations. In the past 10 years, provinces have advanced more than the federal government and several cities

like Vancouver have developed ambitious climate actions. So it's very important now to reconcile these different actions and see where they lead us.

Leslie King

I agree Catherine—I was saving that for the third questions but I think it is essential that the Fed government work with those who have taken the initiative—and build on and support those initiatives. First Nations who have eschewed wealth to preserve their environment and livelihoods, cities and provinces who have stepped up to fill the gap of responsibility left by National governments.

Elizabeth May

The day after the budget I have to say I feel discouraged. I would have had 3 different priorities Monday. I would have assumed that "ending subsidies to fossil fuels" was to be assumed due to the Liberal platform pledge. But budget 2016 has committed to keeping the Harper Accelerated Capital Cost Allowance for LNG in place until it expires on Jan 1, 2025.

I also assumed that the 2016 budget would be at least as strong for climate action as the last Liberal pre-Harper budget - the 2005 Paul Martin budget (Finance Minister Ralph Goodale). But the 2016 budget falls short of that benchmark.

3 top priorities -

1. live up to campaign commitments, ie price carbon and end subsidies
 2. exercise federal authority to maximize energy productivity, create incentives for renewables
 3. invest in massive upgrades to expand east-west electricity grid to get fossil fuels out of Canadian electricity.
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Catherine Potvin

We fully subscribe to the east-west electricity grid that Elizabeth mentions. This was one of our most important proposals released by Sustainable Canada Dialogues last March. The federal budget provides some small amount of money (around \$2 million) to support the beginning of a dialogue on this item of most importance. It is important because you cannot end fossil fuels before an alternative energy source is available for citizens. On the price of carbon, this is on the table of the joint meetings between the PM and premiers. It seems to be difficult for Saskatchewan to advance with that, and so it will take some clever leadership to untie this knot. I agree that it's really important to begin the conversation now on the transition away from fossil fuels and that, in the short-term, subsidies to the fossil fuel industry will have to be stopped.

Ann Dale

Elizabeth, this question of inaction on subsidies is very confusing, even the Economist is arguing for the elimination of all oil and gas subsidies worldwide, in the words of Jim MacNeill that are, "ecologically damaging and economically distorting", a lose-lose. And yet we have to ensure that Canadians don't feel abandoned, and the budget has some steps towards that end. Similarly, the MacDonald Commission in 1985 argued for a guaranteed annual income to reduce employment fears as we transitioned to more liberal trade agreements. Thoughts?

Catherine Potvin

The federal budget is changing unemployment rules and it specifically refers to oil-producing regions by making unemployment benefits easier to get and for longer periods, and I was extremely happy to see that because people will not support a transition if they feel threatened. So to me that was a very significant part of the budget.

Leslie King

I was also disappointed in the budget—thanks Elizabeth—I thought that with all the promise we would have had a climate change budget -- with the exception of infrastructure, we had nothing.

Ann Dale

People might be interested in the attached [Alternatives](#) article building on BC's aggressive climate action agenda, with policy recommendations for the Federal Government.

Yuill Herbert

Thanks Ann,

I'm not sure if I would call myself one of Canada's foremost activists but a maybe just a gentle trouble maker:). I think the Liberal Government is off to a good start with its work in Paris and the budget yesterday.

1. Support energy democracy: There are many different ways to advance decarbonisation, with different social impacts. Energy democracy, using cooperatives is a key aspect in localising control of power and addressing inequality simultaneously.
2. Support compact, complete communities: In our work as community planned, we have analysed the impact of the built environment on energy and GHG emissions. The built environment can lock in GHG intensive lifestyle, but more importantly it can rule in or rule out key strategies in the future
3. Advance district energy: District energy is a key strategy for reducing emissions from heating and cooling as well as enabling new technologies to switch in and out in the future.

Ann Dale

Gentle, not sure about that, dear colleague. Cooperatives have a vital role to play in the equation, and an often neglected one. Yuill and I worked on a case study of the Ontario Renewable Energy Cooperative (OREC), a new business model for providing community energy, attached [here](#). Yuill, any other example, internationally as well?

Yuill Herbert

There is a significant movement around renewable energy cooperatives in Europe: 2,397 in total, engaging 300,000 members that manage installations of 1 GW, with turnover at approximately \$1 billion Euros. Then there are the district energy cooperatives, mainly in Denmark, Sweden and Finland.

In Alberta, the Federation of Rural Gas Cooperatives and the Alberta Union of Rural Electrification Cooperatives are very active and a mode that can be enhanced with a focus on renewables. (Note that no other provinces have strong energy distribution cooperatives). Unless you include Federated Cooperative's refinery in Saskatoon, but that is a different story!

Catherine Potvin

In Quebec, electricity is publicly owned as a crown corporation, so that might explain why we don't have cooperatives.

Yuill Herbert

Fracking is certainly a crazy endeavour- its like a lose-lose equation no matter what lens one uses: water, GHG emissions, boom and bust cycles, infrastructure, biodiversity disruption, earth quakes, toxic chemicals. But how does one then transition the North east of BC, Alberta, Saskatchewan? An abrupt closure will cause considerable social disruption, so perhaps a halt on exploration and a major economic transition plan and how do we do that?

Elizabeth May

I know...it's almost as though they do not understand that LNG is a fossil fuel. And fracked natural gas has the same footprint as coal. So committing Canada to a new fossil fuel industry as Christy Clark wants to do is the wrong way to go. Federal subsidies to LNG and approving Woodfibre are very bad signals.

As for money in infrastructure—it was far less than I expected. To stimulate the economy we need carpenters and contractors attacking leaky buildings. I expected at least as much as was

in the 2005 budget - focused on residential buildings - but expanded to institutional buildings. Instead, there was nothing other than retrofits of existing social housing.

Ann Dale

For a [critique](#) of BC's fracking plans

Yuill Herbert

I am interested also in the focus on a carbon tax. It seems like a carbon tax is effective only if its \$150/tonne or more and it seems like all we need a major drop in the cost of oil and the carbon tax's effectiveness is reduced significantly. Is it really good public policy? And does it meaningfully address other issues such as inequality?

Ann Dale

Our analysis of BC's success (see Alternatives article attached above) is it was a combination of strong provincial leadership, strong bold legislation and policy frameworks, the Climate Action Charter to name only one and the carbon tax. Just as it is beyond any one sector, and so forth, it takes a suite of innovative policy instruments, and of course, differential access to renewables provincially raises the whole issue of spatial justice in a different way? I don't know the answer to your other question, anyone else?

Elizabeth May

The "only effective at \$150/tonne" is accurate - but ONLY if one wants the prime mover of climate policy to be a tax. If you use many other tools to move off fossil fuels, you do not need to start at \$150. You can start at \$30 - or better what the Greens want at \$50 and ramp up.

Catherine Potvin

The scholars of Sustainable Canada Dialogues felt it was an important component and essential policy option but clearly not the only one. We see this in QC where we have a carbon price, but still much else to do. For example, the discussions of acting on electricity. On inequality, Sustainable Canada Dialogues in the fall of 2015 launched a second report, called Acting on Climate Change: Extending the Dialogue Among Canadians, that gave visibility to civil society's answers and comments to the scholars' proposals, including to the proposal of pricing carbon. Several contributions raised concerns over possible social justice problems associated with carbon pricing and suggested that a policy to price carbon must be associated with tax credits to poorer segments of society to ensure they don't bear the burden of such public policy.

Leslie King

I agree Catherine—one of the most important aspects of managing a carbon tax is to ensure it is not regressive (which it inherently is) There are many ways of ensuring that it is progressive and we need to insist on those. But a carbon tax is not the only way of putting a price on Carbon and putting a price on Carbon is only one of many actions we need to take.

Yuill Herbert

How do you make a carbon tax progressive? What would this look like?

There are others. we can talk off-line.

Leslie King

Hi Yuill—you cannot "make" the tax progressive but you can make sure that the effects are not regressive -- returning revenues to those disproportionately affected for example but there are others. We can talk off-line.

Ann Dale

Since we don't have a lot of time today, let's move to our second question. Could I step in and state my top two actions?

1. Eliminate all oil and gas subsidies by the end of 2016 with a phase out strategy.
2. Canadian leaders to be convened to develop transition strategies to divest from our current carbon intensive economy to a carbon neutral economy by 2050.

Without transition strategies, we will never move forward from where we currently are. My research team is looking at the differences between incremental change, transitional change and transformative change for current development paths? Maybe you want to comment a little on this, Leslie?

Leslie King

Yes, as a scientist, I often neglect the role of leadership but in Paris and the aftermath, I have been struck by the importance and necessity of visionary leadership to spark the transition away from the fossil fuel economy and to promote the societal transformation we need to address and act on the climate change challenge—so my are:

1. Exert Global leadership -- put teeth into 'Canada is back!' The economy is global and Canada will have an advantage if it models the transformation and won't suffer the disadvantages of trade imbalances. (See Sweden)
2. Contribute to the Green Climate fund -- one world!
3. Forge Alliances -- build on existing networks -- Arcótic, Cities and regions etc.
4. Re-establish and respect the role of science

5. Articulate, promote and support societal, community transformations -- demonstration projects, celebrate success (hearts and minds)

Catherine Potvin

As I was looking at the budget numbers last night, my thoughts exactly met yours, Ann. I think that what we most need now is a transition strategy outside of fossil fuels. After meeting the Minister of Infrastructure and Communities in Ottawa with other scholars from Sustainable Canada Dialogues, I know that the current government has a strategy for investment in infrastructure and that's an important and essential piece for moving forward. But in order to really make the progress necessary, we equally need a transition strategy for phasing out all fossil fuels. It's a strategy that needs to reassure workers, find other sources of economy for the country. The current budget only speaks to the reassuring of workers. I would like to bring back exchanges in Quebec 20 years ago when the forest industry first had a crisis and the QC government invited scholars, ENGOs and forestry companies to look at the future. And I therefore think the federal government at this stage needs to reinstate something like the roundtable on the environment and economy, a body where CAPS would sit down with the government, with NGOs, with civil society and with representatives of manufacturing and service sector to see how we could get off fossil fuels. That dialogue won't be easy, but not facing it will impede progress.

Yuill Herbert

One question I had about the infrastructure investments in the budget. Is there a requirement for GHG emissions reductions tied to the investments in infrastructure? I am worried that the infrastructure funds will result in repairing potholes and fixing bridges, basically investing in the form of built environment that continues to lock us into a pattern of high GHG emissions. I was really hoping that those investments could be a tool to leverage a different form of built environment, but it seems like that may not be happening?

That is true—there is a public monopoly for electricity generation. In BC there is a similar context but the province opened up generation to the private sector, which could have been cooperatives, but was rather private corporations.

But setting Hydro Quebec aside, there are also significant options for heating and cooling that could be run by cooperatives.

New district energy systems are also integrating production of heat, cooling, electricity and fuel for vehicles, which is challenging the historical utility paradigm.

Catherine Potvin

I agree, infrastructure building is a major concern. Unless climate change mitigation is a clear requirement for financing infrastructures it could lock us in a path we don't want. On the hopeful side, the budget does talk of a new building code so that's reassuring. We understand,

and hope it to be true, that the first wave of investment might indeed fix potholes and move forward well-advanced projects but that the second phase of infrastructure investment will select projects that can stimulate economic growth to mitigate climate change and foster social wellbeing and cohesion. So it's important for all of us to keep accompanying the government in its decision-making.

Ann Dale

You have raised two key questions, Yuill, food for thought for another day. Another interesting question from the e-audience, "How does one secure social license for carbon taxes and limits to growth? In my preliminary research results, the latter is unpopular even with advocates of environmental protection." We will definitely keep these on the agenda for future conversations.

Catherine has raised the idea of a round table. Elizabeth you were a member of the National Round Table on the Environment and the Economy, as was Jim MacNeill and I was one of the two civil servants responsible for its implementation in its first four years. So, what about a Climate Leaders Round Table. Everyone, who should be at the table. In the budget, and I do think it contains some important first steps, but we need to immediately stop investing in the same old, same old, and unsustainable methods such as fracking, and only transition strategies will get us there. A priori decisions made now on infrastructure can lock us into 5, 10 and longer time frames.

Elizabeth May

Yes, the loss of the NRTEE is a real loss. Canadian Climate Forum has suggested a new climate network and multi-stakeholder function on climate that it would co-ordinate. Clearly something is needed to maximize the smart work of many who are disconnected at the moment.

Sadly, I have to run to be in the House to comment on the death of a colleague. Sorry.....

Leslie King

Good luck Elizabeth, Thanks for being with us!!

Yuill Herbert

In the long term, some sort of paradigm shift is required. I think Elizabeth is probably the only politician in Canada to compare economic growth to a cancer cell, but we need a different operating system so to speak, so my priorities (and therefore those of the liberals should be):

1. Challenging the notion of growth: To quote a paper from the UK Sustainable Development Commission, *Prosperity without Growth*: "The primary role of government is to ensure that long-term public goods are not undermined by short-term

private interests. But governments across the world - and in particular in the liberal market economies - have been so active in championing the pursuit of individual freedoms, often elevating consumer sovereignty above social goals and actively encouraging the expansion of the market into different areas of people's lives."

2. Reverse the culture of consumerism

Somehow we need to challenge the culture of consumerism. One of the major drivers of consumerism and the psychology associated is advertising. We therefore need to ensure that advertising is in the best interest of societal wellbeing.

Ann Dale

A supplementary question, if I may? Catherine, based on your report, Acting on Climate Change. Solutions from Canadian Scholars (over 60+ Canadian scientists), is a 100% renewable energy system possible and in your opinion, in what timeframe?

Catherine Potvin

To be fair, Sustainable Canada Dialogues did not do a full engineering assessment of possibilities. I am aware that in early April the Trottier Energy Futures Project that involves David Suzuki Foundation and the College of Engineers of Canada will release a full engineering study on how Canada can transition to 80% reduction in emissions by 2050. So what Sustainable Canada Dialogues says is that it is possible to have 100% low-carbon electricity in 2035 because, to reach this goal, the technology already exists and we know that the resource of renewable energy also exists. The leap, then, between this 100% low-carbon electricity in 2035 and 80% reduction in total emissions by 2050 I believe will demand new technologies. We don't know exactly which are the winning technologies, so I don't feel comfortable giving a more precise prediction.

Ann Dale

Well, we have an action agenda shaping up here, and forgive if I have introduced bias. I would appreciate any concluding remarks you have.

1. national carbon pricing
2. eliminate all oil and gas subsidies
3. leave fossil fuels in the ground
4. incentivize renewables
5. GHG emissions legislation
6. national framework--First Nations, federal, provincial and local governments, and cities
7. energy democracy
8. incentivize compact, complete communities
9. invest in massive upgrades to expand east-west electricity grid
10. promote the acceleration of renewable energy cooperatives

11. a climate leaders round table to immediately begin developing critical transition strategies

Leslie King

Excellent summary Ann, Many thanks, I think it is important to engage all the climate heros who have been beavering away to make the transformation to a zero carbon (what a concept!) economy possible. This includes civil society, First Nations, Cree and Innu, cities, networks, the science community, provinces etc and provide incentives for those who have not -- that is why I suggested the round table -- with representatives from these groups to provide the vision for the future.

Catherine Potvin

In response to the social license comment from the audience, the last federal election making climate change very prominent has indeed given the Canadian and provincial governments the license to move forward.

For me now the main priority is a kind of round table to develop a transition to phase out fossil fuels.

Yuill Herbert

Thanks everyone- that was a rapid fire endeavour and I think I gained a number of new questions and answers in equal measure! It is an exciting time in Canada and hopefully we can make real progress in advancing efforts to address climate and social justice!

One idea I would like to throw out there for the current political context. Check out this report for a reimagining of Canada Post as a mechanism to deliver the green economy to communities everywhere: <http://www.deliveringcommunitypower.ca/>

Catherine Potvin

Thanks, Ann. Bye everyone!