



**Citizens' Climate** Lobby Canada  
Lobby **Climatique des Citoyens**



# THE PEOPLE'S MINISTRY OF THE FUTURE

## LASER TALKS BOOKLET

AUTUMN 2025 COMPILATION

# The People's Ministry of the Future Laser Talks Booklet

Welcome to the Anthropocene. Humanity has entered a new geological era shaped by our choices.

**The science is clear:** we are pushing past the safe operating space for life on Earth. A 2009 Nature paper on [planetary boundaries](#) sounded the alarm, and a [2025 update](#) warns that unless we change course, nearly all boundaries will be breached by 2050 except ozone depletion.

Disinformation campaigns have muddied the waters, but facts remain: we are at a crossroads.

But here is the good news: the clean revolution is underway. From renewable energy and electrification to regenerative agriculture and new financial frameworks, solutions are scaling at unprecedented speed. The data is overwhelming that progress is possible and the **transformation of the economy will not be linear.**

What are the best solutions that balance both fiscal responsibility and social justice? The IPCC, the UNFCCC and countless think tanks and organizations have been showing us the way forward for decades. It is all there. We just need to listen to the experts and cooperate. This laser booklet is our contribution to that effort.

Like in Kim Stanley Robinson's [The Ministry for the Future](#), humanity must face the climate monster at our door with courage, integrity, and solidarity. The Montreal Protocol saved our ozone layer from human pollution. We will prevail again.

## About CCL and CCL Canada

Citizens' Climate Lobby (CCL) Canada was founded in 2010 as part of an international, non-partisan, grassroots movement to build political will for effective climate solutions. With a focus on relationship-building and respect, CCL Canada empowers citizens to engage with community leaders and federal elected officials to advance climate policies. A key achievement was the passage of Canada's national carbon pricing policy in 2018, influenced by CCL Canada's advocacy. Explore our website to learn more about us. [canada.citizensclimatelobby.org](https://canada.citizensclimatelobby.org)

## How to Use this Booklet

This booklet contains the updated Laser Talks we consider most important for lobbying our MPs in the last quarter of 2025.

Focus on the topics that interest you most. There is no need to memorize them.

Bring a printed copy when you lobby. It serves as a valuable reference. You do not need to be an expert. We are simply relaying expert information. Politicians often ask for copies after seeing them in use.

You can also use this booklet to write letters to the editor, create social media posts, or share it with others who may find it useful.

To explore all of our Laser Talks, visit: <https://canada.citizensclimatelobby.org/laser-talks/>

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# Welcome to the Anthropocene

## Our Rights to a Liveable World

On July 28, 2022 the UN General Assembly declared <sup>1</sup> access to a clean and healthy environment a universal human right.

In July 2025, the International Court of Justice landmark delivered the following opinion:

*Failure of the state to take appropriate action to protect the climate system from GHG emissions including through fossil fuel production, fossil fuel consumption, the granting of fossil fuel exploration licenses, or the provision of fossil fuel subsidies may constitute an internationally wrongful act which is attributable to that state*  
 .- International Court of Justice, July 2025

The opinion is non-binding, and also not enforceable but experts say it could influence the outcome of climate change court cases around the world.<sup>2</sup>

In Canada, there are currently four climate lawsuits invoking Sections of the Canadian Charter of Rights and Freedoms to hold governments accountable for climate inaction. These cases are led by youth, community groups, and environmental organizations:

1. **Mathur et al v. Ontario (2019)** <sup>3</sup> Youth plaintiffs are suing the Ontario government for weakening its climate targets, arguing violations of Charter rights. The case is led by Ecojustice. It returns to the Ontario Superior Court on Dec. 2–3, 2025.
2. **La Rose et al v. Canada (2019)** <sup>4</sup> Fifteen youth plaintiffs are suing the federal government for failing to act on climate change. Initially it was struck down, but in January 2024 the Federal Court of Appeal revived the case. Pending.
3. **Saskatchewan Section 7 Charter Case (2023)** <sup>5</sup> Climate Justice Saskatoon and seven residents filed a Section 7 Charter challenge against SaskPower, Crown Investments, and the Saskatchewan government, alleging rights violations due to inadequate climate action. The trial took place in April 2024. Pending.
4. **Coal Power Judicial Review – CPJ et al v. Saskatchewan (August 2025)** <sup>6</sup> Citizens for Public Justice, Saskatchewan Environmental Society, and three individuals (including a youth) seek judicial review of Saskatchewan’s decision to extend coal plants beyond 2030. They argue it’s unreasonable and harmful to Canadians’ rights.

**An interesting statistic:** A quarter of Americans now live in cities and states taking the oil companies to court over lying to the public <sup>7</sup> akin to what happened to tobacco companies.

Sue Big Oil ([suebigoil.ca](http://suebigoil.ca)) is the go to organization for British Columbian municipalities to sue big oil for the damage done.

There are thousands of climate lawsuits globally. Here are two organizations tracking their progress databases

- The Grantham Research on Climate Change and the Environment (London School of Economics) <https://www.lse.ac.uk/granthaminstitute/publication/global-trends-in-climate-change-litigation-2025-snapshot/>
- Sabin Center for Climate Change Law (Columbia University) <https://www.climatecasechart.com/>

## References:

UN General Assembly declares access to clean and healthy environment a universal human right (July 2022) | The United Nations | <https://news.un.org/en/story/2022/07/1123482#>

2) World Court says countries are legally obligated to curb emissions, protect climate (July 2025) | The United Nations | <https://news.un.org/en/story/2025/07/1165475>

3) Mathur et. al. is a pioneering youth-led climate lawsuit | Ecojustice | <https://www.ciel.org/news/groundbreaking-inquiry-in-philippines-links-carbon-majors-to-human-rights-impacts-of-climate-change-calls-for-greater-accountability/>

4) La Rose v. Her Majesty the Queen (2019) | Climate Litigation Database | [https://www.climatecasechart.com/document/la-rose-v-her-majesty-the-queen\\_7e6f](https://www.climatecasechart.com/document/la-rose-v-her-majesty-the-queen_7e6f)

5) Court Action – Saskatchewan Climate Change Litigation | Saskatchewan Coalition for Sustainable Development | <https://www.sustainablesask.ca/court-action.html>

6) Saskatchewan legal action on coal power | Citizens for Public Justice | <https://cpj.ca/saskatchewan-legal-action/>

7) Big Oil faces a flood of climate lawsuits — and they're moving closer to trial (March 2024) | Grist | <https://grist.org/accountability/big-oil-climate-lawsuits-trials-attribution-science-exxon/>

## 2025 Canada Wildfire and Heat Season

### Wildfires:

- There have been over 5,361 wildfires and 8.8 million hectares burned, an area bigger than the size of New Brunswick, and more than double the 10-year average.
- This is the second worst wildfire season on record and follows in the footsteps of the devastating 2023 season. (2024 was the 3rd worst season.)
- John Valliant, award-winning author of *Fire Weather*, reports that the CEO of Red Cross Canada recently told him that 17 years ago “*eighty per cent of our work was outside Canada. Now, eighty per cent of our work is inside the country.*”
- One in seven First Nations in Canada have been evacuated and negatively impacted due to wildfires.
- From mid-May to the end of June, more than half of those displaced by wildfires in Canada (approx. 40,000 people) were from Indigenous communities. Almost 34 Indigenous communities, including in nearly every province, were affected.

- Health Canada estimates that every year there are 240 deaths and \$1.8 billion in health care costs due to short-term impacts from wildfires.
- New Brunswick has reported a GDP loss of \$77.5 million due to wildfires, while early estimates of the economic damage from 2025 wildfires found that 2.4% of Manitoba's GDP was at risk because of wildfires, more than any other province.
- At least 203 structures have been destroyed in Newfoundland from the Kingston wildfire, including the iconic 110-year-old Crowley House.
- The Kingston fire in August is expected to result in more than \$70 million in insured damages.

## Heat:

- Two separate analyses found that climate change made extreme heat more likely this summer:
  - Environment and Climate Change Canada studied 12 heatwaves this summer and found that all were made more likely due to climate change:
    - 11 heat waves were made at least 2-10x more likely due to climate change.
    - 1 heat wave – in Atlantic Canada – was made at least 10x more likely due to climate change.
    - Overall, summer temperatures in Canada have warmed by 1.8C over the last 78 years.
  - Science non-profit Climate Central found that across the country, Canada experienced two weeks of heat made at least 2x more likely due to climate change and 13 'risky heat days' added by climate change.
    - Risky heat days are days hotter than 90% of historical local temperatures.
    - Heat-related health risks rise when temperatures climb above this local threshold.
- BC broke Canada's national maximum temperature record for September, with highs of almost 41C recorded.
- Toronto spent more than half the summer under a heat warning and at least eight people have died from heat-related causes in Montreal this year.
- 51 heat records were broken across the country on Aug. 11, with temperatures in the mid 30s.
- Heat made more likely by climate change has intensified wildfires across Canada, according to multiple analyses from researchers with Climate Central and ClimaMeter.
- Every heatwave in the world is now made stronger and more likely to happen because of fossil fuel-driven climate change, according to researchers with World Weather Attribution.
- Heat exacerbates drought conditions, which have been particularly devastating across Canada including eastern Ontario, the Maritimes, southwestern Saskatchewan and many parts of British Columbia.
- Canada is warming at a rate 2x the global average, with parts of the north warming 3-4x as fast.

Updated as of September 17, 2025. Tracked by SpringboardInc

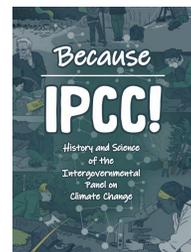
<https://docs.google.com/document/d/1LfdG4aGSK8G850MOBIZS4roQQ-5vkPNChedvCe3nFRQ/edit?tab=t.0>

## Because IPCC

How can we be so sure about what we know about climate change? Because of the amazing work of the Intergovernmental Panel on Climate Change (IPCC).

In 2017, our national director was an observer at the plenary session of the IPCC in Montreal. Over a course of six days, she observed 195 member countries of the IPCC lay down the framework of their sixth assessment report (AR6) by consensus.

We were introduced to the *Because IPCC* resource in February 2022 by Charles Hodgson. It beautifully explains how the report and peer-reviewed science works and why we need to listen to it. Download the book, for free. And it has been translated into French and more.



<https://becauseipcc.files.wordpress.com/2021/10/1ba65-because-ipcc-history-and-science-of-the-intergovernmental-panel-on-climate-change-v3s.pdf>

# The United Nations Framework Convention on Climate Change

The United Nations Framework Convention on Climate Change (UNFCCC) was adopted at the Rio Earth Summit in 1992 and entered into force in 1994. It set the foundation for international cooperation on climate change, aiming to stabilize greenhouse gas concentrations at a safe level. Canada, under PM Brian Mulroney, was one of the first countries to sign the Convention. In 2011, Canada later became the only country to withdraw from the UNFCCC's Kyoto Protocol, which had set binding targets for developed countries.

Since 2015, Canada has played a stronger leadership role under the Paris Agreement, which built on the UNFCCC framework by committing countries to Nationally Determined Contributions (NDC) and a goal of limiting warming to well below 2°C, while pursuing efforts for 1.5°C. Decisions under the UNFCCC are reached by consensus, giving each of the nearly 200 Parties a voice in shaping outcomes.

Although the UNFCCC does not have strict enforcement mechanisms, the annual conferences provide a vital platform for governments, scientists, and NGOs to share knowledge, build relationships, and develop cooperative strategies. The solutions exist and they have been discussed *in massive detail*. We are grateful to all who have paved the way forward and taught us that **transformation of the economy will not be linear**.

## References

- 1) UNFCCC Website <https://unfccc.int/>
- 2) Wikipedia page for Canada and the Kyoto Protocol [https://en.wikipedia.org/wiki/Canada\\_and\\_the\\_Kyoto\\_Protocol](https://en.wikipedia.org/wiki/Canada_and_the_Kyoto_Protocol)
- 3) Sampling of the multilateral agreements Canada signed at COP 28 <https://canada.citizensclimatelobby.org/laser-talk-canada-and-the-unfccc/>

## Quick Facts About the IPCC

The Intergovernmental Panel on Climate Change (IPCC)<sup>1 2</sup> was created in 1988 by the World Meteorological Organization and the United Nations Environment Programme. Its mandate is to assess scientific, technical, and socio-economic knowledge on climate change, its impacts, and options for adaptation and mitigation. Canada, under Prime Minister Brian Mulroney, was one of the first industrialized nations to strongly support the work of the IPCC and international climate diplomacy. Mulroney later made Canada one of the first G7 countries to sign the United Nations Framework Convention on Climate Change in 1992.<sup>3 4 5</sup>

Since 1990, the Intergovernmental Panel on Climate Change (IPCC) has released six major Assessment Reports. These are consensus-based scientific documents, with the Summaries for Policymakers approved line by line by all participating governments. While not legally binding, they provide the authoritative foundation for international climate negotiations, guide national policy, and are valuable reference documents for climate lawsuits.

## References

- 1) The Intergovernmental Panel on Climate Change <https://www.ipcc.ch/>
- 2) Wikipedia page for the IPCC [https://en.wikipedia.org/wiki/Intergovernmental\\_Panel\\_on\\_Climate\\_Change](https://en.wikipedia.org/wiki/Intergovernmental_Panel_on_Climate_Change)
- 3) Canada signs Convention on Climate Change at Rio's Earth Summit June 12, 1992 CBC Archives <https://www.cbc.ca/player/play/video/1.3311192>
- 4) Canada's Role at Rio, 1992 Government of Canada Archives [https://publications.gc.ca/collections/collection\\_2021/eccc/En4-431-1992-eng.pdf](https://publications.gc.ca/collections/collection_2021/eccc/En4-431-1992-eng.pdf)
- 5) Wikipedia page for Brian Mulroney: [https://en.wikipedia.org/wiki/Brian\\_Mulroney](https://en.wikipedia.org/wiki/Brian_Mulroney)

## IPCC AR6 Synthesis Report Redefines the “Near Term”

In 2021, the Intergovernmental Panel on Climate Change (IPCC), warned that global warming would likely hit 1.5°C before 2040. <https://www.ft.com/content/9a11b08c-4fb3-49ec-8939-9d853745bfce>

Thus, in the final Synthesis of the Sixth Assessment in March 2021, the IPCC redefined its “near term” definition to be “**the period up until 2040**” (rather than 2050). This important distinction marks a change in governments’ time scales. Before 2040, the world must make rapid decarbonization efforts to ensure long-term outcomes which return global temperatures to below 1.5°C levels.

[https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC\\_AR6\\_SYR\\_SPM.pdf](https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf)

## The Interplay between Sulphur Termination Shock and Global Warming

Reducing air pollution sounds like a win, but there’s a twist. Sulphate aerosols – tiny particles in the air from burning fossil fuels, metal smelting, fertilizers, shipping, and waste incineration – are harmful to health and ecosystems. Yet they also cool the planet by reflecting sunlight, creating a temporary “mask” over greenhouse gas warming.

In 2021, right after the IPCC’s AR6 reports, Simons, Hansen, and duFournet published *Climate Impact of Decreasing Atmospheric Sulphate Aerosols and the Risk of a Termination Shock*. They showed that cutting sulphate aerosols too fast could remove this cooling effect, potentially causing a rapid spike in temperatures – what scientists call a “termination shock.”

**The study highlights a dilemma:** reducing these aerosols improves air quality but could unintentionally accelerate global warming. It underscores the importance of careful planning and coordinated climate policy.

### References

1. Climate Impact of Decreasing Atmospheric Sulphate Aerosols and the Risk of a Termination Shock (2021) | Leon Simons, James E. Hansen, Yann duFournet | <http://www.columbia.edu/~jeh1/Documents/Simons.2021.RiskOfATerminationShockAerosolConference.pdf>
2. The Rate of Global Warming During Next 25 Years Could Be Double What it Was in the Previous 50, a Renowned Climate Scientist Warns (2021) | Inside Climate News | <https://insideclimatenews.org/news/15092021/global-warming-james-hansen-aerosols/>
3. Leon Simons on Twitter | <https://twitter.com/LeonSimons8>

## Key Atlantic Current Could Start Collapsing in this Century

Earth’s climate has a beating heart: the Atlantic Meridional Overturning Circulation, or **AMOC**. It pumps warm water north, keeping Europe mild, the tropics stable, and our weather predictable.

Fifty-six million years ago, the Paleo-Eocene Thermal Maximum saw massive carbon releases that drove ocean extinctions and evolutionary upheaval on land. Today, we are emitting carbon **9–10 times faster** than then <sup>1</sup>.

One  **tipping point**  we’re flirting with is the **collapse of the AMOC**. It’s already the weakest it’s been in 1,600 years <sup>2</sup>. Research shows we could cross the point of no return within decades. The collapse might take 50–100 years, but once triggered, it’s irreversible <sup>3</sup>. If it happens: Europe freezes in winter, the tropics scorch, monsoons fail, crops die, coastlines flood. Societies crumble. This isn’t Hollywood. This is physics.

The heartbeat of Earth’s climate is in our hands. Every ton of carbon we emit pushes us closer to a world we may not recognize. We must act **now**.

1. Thornalley, D. J. R., et al. (2018). Temporal scaling of carbon emission and accumulation rates: Modern anthropogenic emissions compared to estimates of PETM onset accumulation. *Paleoceanography and Paleoclimatology*, 33(11), 1425–1439. <https://doi.org/10.1029/2018PA003379>
2. Thompson, A. (2018, April 11). Slow-motion ocean: Atlantic’s circulation is weakest in 1,600 years. *Scientific American*.  
<https://www.scientificamerican.com/article/slow-motion-ocean-atlantics-circulation-is-weakest-in-1-600-years/>
3. Pare, S. (2025, September 4). Key Atlantic current could start collapsing as early as 2055, new study finds. *Live Science*.  
<https://www.livescience.com/planet-earth/climate-change/key-atlantic-current-could-start-collapsing-as-early-as-2055-new-study-finds>

## Our Uninsurable World

**Takeaway:** Insurance markets are showing troubling trends: bankruptcies, soaring premiums, rising taxpayer-funded compensation, and withdrawal of coverage in high-risk areas. As climate change intensifies, insurance companies are covering less of the costs from extreme weather events, leaving taxpayers and governments increasingly exposed.

In March 2025, **Allianz** board member Günther Thallinger warned that entire asset classes are “**degrading in real time**” from extreme weather and that the climate crisis could destroy capitalism. Two-thirds of economic losses from natural disasters are already uninsured—a “major societal problem,” he told CNBC.  
<https://www.cnbc.com/2025/08/08/climate-insurers-are-worried-the-world-could-soon-become-uninsurable.html>

### Climate crisis on track to destroy capitalism, warns top insurer

Action urgently needed to save the conditions under which markets - and civilisation itself - can operate, says senior Allianz figure

Zurich Insurance Group, meanwhile, said alongside a recent research paper assessing climate resilience that the outlook looks “alarmingly bleak.”

**Zurich Insurance Group** echoed this concern in April 2025, calling the outlook “**alarmingly bleak**” and pointing to the Los Angeles wildfires as proof that even wealthy economies remain unprepared. Without rapid decarbonization and stronger resilience measures, the bill for insurers, governments, and citizens will only keep rising.

<https://www.zurich.com/knowledge/topics/climate-change/strategies-for-building-resilience-in-a-more-volatile-world>

In the U.S., companies [State Farm](#), [Farmers Insurance](#), [Nationwide](#), [Progressive](#), and [Liberty Mutual](#) have exited states repeatedly hit by hurricanes, floods, and wildfires, leaving state-backed “last resort” insurers to provide basic coverage.

In Canada, withdrawal hasn’t happened yet, but premiums are rising

- In **2023** and **2024**, climate-related severe weather events significantly impacted insurance premiums
- In **2024**, insured damages from weather events reached a **record \$8.55 billion**, nearly tripling the \$3.1 billion in 2023. <https://harvardwestern.com/weather-damage-drives-house-insurance-rates-up-in-canada>
- This surge in claims has led to higher premiums, particularly in provinces like Ontario and Alberta.
  - In **Ontario**, average home insurance premiums rose by **7.15% in 2025** compared to the previous year, reflecting the mounting toll of extreme weather and rising rebuilding expenses.  
<https://www.insurancebusinessmag.com/ca/news/breaking-news/ontario-home-insurance-costs-surge-amid-climate-pressures-550106.aspx>
  - In **Alberta**, premiums have increased by **9.07% in 2025**, driven by significant weather-related damages.  
<https://cleanfax.com/canadians-believe-climate-change-is-driving-up-insurance-rates/>

- In **Kamloops, BC**, one of the cities facing the highest wildfire risk, insurance premiums nearly doubled between 2023 and 2025. This sharp increase underscores the escalating costs associated with climate-induced risks.

<https://www.mpamag.com/ca/mortgage-industry/market-updates/wildfires-push-canadian-home-insurance-costs-to-new-highs-squeezing-mortgage-budgets-report/550675>

- Note however, rising premiums are compounded by factors such as a 66% increase in residential building construction costs since 2019 and a 24% increase in home replacement costs.

<https://www.ihc.ca/news-insights/news/pressures-have-been-mounting-on-home-insurance-premiums-as-residential-building-construction-costs-soar-by-66-percent-since-2019>

## Underestimating Financial Risk: An Actuarial Analysis

In August 2023, a critical actuarial analysis highlighted the financial risks of climate change. By applying actuarial principles, this paper exposes the limitations and assumptions in current climate-change scenario modeling in financial services, particularly under hot-house world scenarios of 3°C or more warming. The analysis reveals that current techniques fail to account for many of the most severe impacts, such as tipping points and second-order effects, which are glaringly absent from these models. While the intricate details of the analysis may be complex, the message is clear: the current climate-scenario models are flawed and do not accurately predict the future or its financial ramifications. It's imperative that we acknowledge and address these shortcomings to prepare for the **true extent** of climate-related risks.

The Emperor's New Climate Scenarios: Limitations and assumptions of commonly used climate-change scenarios in financial services. Institute and Faculty of Actuaries. University of Exeter. 2023

<https://actuaries.org.uk/media/qeydewmk/the-emperor-s-new-climate-scenarios.pdf>

## Our Greenhouse Gases and the Damage Done

### Calculating the amount companies owe for causing global warming

A report published in **May 2023** found that it was possible to assess the amount of global warming damage caused by industry as a whole. It was reported that the cost would be \$99 trillion for the years 2025 to 2050 of which \$70 trillion is attributed to fossil fuels. Their study is quite granular and drills down into certain segments of industry and even individual companies. They surveyed hundreds of climate economists to learn more about the financial costs associated with global warming and who should be paying for disasters that have ensued as a result.

<https://www.climatechangenews.com/2023/05/19/study-fossil-fuel-firms-owe-209bn-a-year-for-climate-damage/>

### How Carbon Producers Drive Forest Fires in Western North America

A peer-reviewed study, published in **May 2023** in the journal Environmental Research Letters, found that 37% of the total burned forest area in Western Canada and the United States between 1986-2021 can be traced back to 88 major fossil fuel producers and cement manufacturers.

<https://iopscience.iop.org/article/10.1088/1748-9326/acbce8#erlacbce8s3>

### Study estimates 2023 Canadian wildfire smoke caused 82,000 premature deaths globally

A **September 2025** study published in the peer-reviewed journal Nature reported that smoke from record-breaking Canadian wildfires in 2023 caused an estimated 5,400 acute deaths and about 82,100 premature deaths worldwide. <https://www.nature.com/articles/s41586-025-09482-1>

### Climate Change to Cost Global Economy 19% by 2050 (April 2024)

By 2050, climate change could cost the global economy **\$38 trillion—19%** of world income—even with drastic CO<sub>2</sub> cuts starting today. Losses are driven by rising temperatures, changing rainfall, and extreme weather, hitting tropical countries hardest. Without immediate action, economic damages could reach 60% by 2100.

<https://scienceblog.com/543790/climate-change-to-cost-global-economy-19-by-2050-study-finds/>

<https://www.nature.com/articles/s41586-024-07219-0.pdf>

## Hope: Transformation of the Economy Will Not be Linear

**Here is the hope:** the transformation of the economy will not be linear. It will begin slowly, then accelerate—sector by sector, jurisdiction by jurisdiction, country by country. For example, Indian Railways is set to reach its net-zero targets five years ahead of schedule. It is also a founding member of the World Bank's Carbon Pricing Leadership Coalition, where putting a price on fossil fuel pollution was central to Indian Railways' strategy. Governments that take the lead by enacting effective policies will prosper, because fossil fuel energy is obviously more expensive and risky compared to the clean power of the sun, wind, and tide.

<https://timesofindia.indiatimes.com/business/india-business/indian-railways-to-achieve-net-zero-targets-in-2025-itself-5-years-ahead-of-2030-goal/articleshow/121481828.cms>

## How did we get here?

### Fossil Fuel Industry Funded Climate Disinformation for Decades

Even to this day, there are individuals who deny or downplay the link between the burning of fossil fuels and the impacts that pollution has on our climate and health. How did this happen?

Key players in the fossil fuel industry [knew decades ago](#) that burning coal, oil, and methane gas to warm our homes, power our cars, and generate electricity was warming the planet. In July 2024, [InfluenceMap](#) published research that uncovered that the oil and gas industry has used a playbook of narratives and arguments to systematically oppose, weaken, and delay the energy transition since at least 1967.

In Geoff Dembecki's *The Petroleum Papers*, he documents how Imperial Oil conducted a study on carbon pricing in the early 1990s and then sent out a memo to executives on how to block it. Here is [an interview link](#) and it begins at the about 7:00 minute mark. From [November 2023-October 2024](#) Ford, Moe, Smith, Poileivre, their parties and fossil fuel companies spent over one million dollars in spreading about the consumer carbon price on social media.

There is hope. Climate concerned citizens are in the [majority](#) in Canada. A quarter of all US Americans live in jurisdictions that are [suing big oil](#) over lying to the public. For British Columbian municipalities seeking support to do the same, [Sue Big Oil](#) is the go to organization.

Happily, when you inform people that the fossil fuel industry funded a climate disinformation campaign for decades, people are more likely [to believe you](#) when you present evidence-based solutions. So, keep talking. You are more powerful than you think.

#### Suggested Books:

- **Climate Cover-Up** (2009) By James Hoggan and Richard Littlemore
- **Merchants of Doubt: How a Handful of Scientists Obscured the Truth on Issues from Tobacco Smoke to Climate Change** (2011) by Naomi Oreskes and Erik Conway
- **Oil's Deep State: How the petroleum industry undermines democracy and stops action on global warming – in Alberta, and in Ottawa** (2017) Dr. Kevin Taft
- **The New Climate War: The Fight to Take Back Our Planet** (2021) By Michael E. Mann.
- **The Petroleum Papers: Inside the Far-Right Conspiracy to Cover Up Climate Change** (2022) By Geoff Dembecki
- **Fire Weather** (2023) By John Vaillant

# The State and Spread of Climate Disinformation in Canada

In January 2025, the Centre for Media, Technology and Democracy at McGill University, released a report, *Climate Obstruction: On the State and Spread of Climate Disinformation in Canada*.

It found that while most Canadians accept climate change, fewer than half feel it affects their lives today. Disinformation thrives through “delay narratives”—like portraying climate advocates as elitist, pushing “ethical oil,” or co-opting Indigenous rights to justify extraction. These narratives weaken urgency and policy action, and social media platforms amplify them without transparency. To build effective climate policy, we must call out delay tactics, demand accountability from digital platforms, and strengthen public understanding of both the risks and the solutions.

**Resource:** <https://www.mediatechdemocracy.com/climate-obstruction-report>

## Disinformation in “Unaccountable” Media

Between Nov. 1, 2023, and Oct. 31, 2024, Canadians were exposed to a significant disinformation campaign about pricing pollution from fossil fuels on the unregulated and thus unaccountable social media platforms. Most egregious was the claim that pollution pricing is a driver of inflation which has been clearly refuted. <https://www.cbc.ca/news/canada/saskatchewan/ijf-energy-united-social-media-carbon-tax-advertising-1.739>

The 15 pages that spent the most on ads about the carbon tax on Facebook and Instagram between Nov. 1, 2023 and Oct. 31, 2024

Page name	Number of ads	Estimated spend upper bound CAD
Pierre Poilievre	561	\$379,539
Ontario PC Party	40	\$240,560
Conservative Party of Canada - Parti conservateur du Canada	275	\$201,825
Energy United	65	\$174,435
Affordability Advocates	12	\$73,388
Imperial G&O	401	\$67,683
Conservative Party of BC	36	\$59,964
BC United	32	\$47,968
Canadian Taxpayers Federation	93	\$40,107
Saskatchewan Party	62	\$38,238
Fair Share Report	9	\$29,191
Canadians for Affordable Energy	30	\$17,270
Scott Aitchison	43	\$15,157
United Conservative Party of Alberta	11	\$10,289
BC United Caucus	9	\$9,091

# Oil Price-Fixing Is Behind Post-Covid Inflation

In May 2024, the US Federal Trade Commission revealed that American oil companies colluded with the Saudi government to hike gas prices in 2021—costing the average family \$3,000 in a single year.<sup>1,2</sup> In Canada, a March 2025 study from the Centre for Future Work points the finger at fossil fuel price spikes for most of Canada’s post-COVID-19 inflation.<sup>3</sup>

High fossil fuel prices have long triggered inflation and economic crises. Mark Zandi, chief economist at Moody’s, told Vox: “Every recession since World War II has been preceded by a jump in oil prices.” Economists even have a name for it: **fossilflation**.<sup>4</sup>

## References:

1. Federal Trade Commission. (2024, May 2). FTC order bans former Pioneer CEO from Exxon board seat in Exxon-Pioneer deal. *Federal Trade Commission*.  
<https://www.ftc.gov/news-events/news/press-releases/2024/05/ftc-order-bans-former-pioneer-ceo-exxon-board-seat-exxon-pioneer-deal>
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3. Stanford, J., & Weir, E. (2025, March). Counting the costs: Impacts of the 2022 oil price shock for Canadian consumers and workers. *Centre for Future Work*.  
<https://centreforfuturework.ca/wp-content/uploads/2025/04/FalseProfits-March2025-Counting-the-Costs.pdf>
4. Leber, R. (2022, August 12). Fight climate change. End fossilflation. Here’s how. *Vox*.  
<https://www.vox.com/science-and-health/2022/8/12/23290488/fight-climate-change-end-fossil-fuel-inflation>

## Big Oil Reality Check

**In a nutshell:** Big Oil is a barrier, not a solution, to climate action.

The 2024 *Big Oil Check-In* by Oil Change International exposes the harsh truth: major oil and gas companies are failing the planet. Every company assessed—from Chevron to ExxonMobil—was rated “Grossly Insufficient” or “Insufficient.” Their planned extraction alone would use 30% of the remaining carbon budget for 1.5°C, locking in over 2.4°C of warming. Six of eight plan to expand production; the others continue new projects while claiming a false energy transition. None have credible emissions reduction plans or just transition strategies. The result? A planet on a path to climate devastation.

[https://www.oilchange.org/wp-content/uploads/2024/05/big\\_oil\\_reality\\_check\\_may\\_21\\_2024.pdf](https://www.oilchange.org/wp-content/uploads/2024/05/big_oil_reality_check_may_21_2024.pdf)

## How to Counter Disinformation about Climate Policy

A recent German study shows that disinformation about the distributional impacts of climate policy fuels populism. Populist parties deliberately exploit narratives such as “climate policies hurt poor households” or “climate policies weaken the economy.” These claims resonate especially in right-wing voting blocs. On the left, a different narrative, “companies are not taking enough responsibility” is more effective in stirring populist sentiment.

The research found the best defense is clear, fair, and well-communicated climate policy. When people understand that climate action distributes costs and benefits fairly, it reduces the risk of populist manipulation.

In Canada, the previous government failed to clearly communicate the fairness of carbon dividends. Going forward, climate policies must include a strong communications and education strategy to ensure fairness is understood and trust is built.

[https://www.diw.de/de/diw\\_01.c.974536.de/publikationen/wochenberichte/2025\\_38\\_1/narrative\\_zur\\_verteilungswirkung\\_von\\_klimapolitik\\_koennen\\_populismus\\_staerken.html#abstract-collapsible](https://www.diw.de/de/diw_01.c.974536.de/publikationen/wochenberichte/2025_38_1/narrative_zur_verteilungswirkung_von_klimapolitik_koennen_populismus_staerken.html#abstract-collapsible)

## Fossil Fuels and the Anti-Trans Movement

A June 2025 investigation showed 80% of U.S. anti-trans groups receive fossil fuel funding. Oppressive systems have long marginalized vulnerable people and fomented anger to garner support. CCL embraces diversity. We stand united to expose fossil fuel influence and build a fairer, safer future for all. <https://atmos.earth/political-landscapes/fossil-fuel-billionaires-are-bankrolling-the-anti-trans-movement/>

## Listen to the Experts and Cooperate

### The Big Switch Will Save Us Money

A 2023 Canada Climate Institute report found that as Canadians switch from fossil fuels to more energy-efficient electric technologies, they will save money on energy costs over time. Average household spending on energy is expected to decrease by **12%** by 2050. <https://climateinstitute.ca/reports/electricity/>

In September 2022, Mark Jacobson and his team at Stanford University calculated that transitioning 145 countries to 100% renewable energy would cost \$62 trillion. However, the annual savings from switching the world to 100% renewable energy would be \$11 trillion. Thus, the initial investment would be recouped in just six years. <https://web.stanford.edu/group/efmh/jacobson/Articles/l/145Country/22-145Countries.pdf>

Deloitte's Global Turning Point report (June 2022) concluded that a rapid global net-zero transition could add \$43 trillion to the economy, while insufficient action could cost \$178 trillion by 2070. <https://www.deloitte.com/global/en/issues/climate/global-turning-point.html>

A major International Energy Agency report released on May 30, 2024, showed that the transition to net-zero emissions would result in lower global energy costs compared to continuing on the current path. The report also highlighted that the faster the transition to clean energy, the more cost-effective it becomes for governments, businesses, and households. <https://iea.li/4aM2zNn>

## What about China

In June 2024, the Rocky Mountain Institute reported that the cleantech revolution is accelerating globally, and China has been declared the world's first "electrostate."<sup>1,2</sup> Why? Facing a lack of domestic oil and gas, China is rapidly expanding its electrification efforts. These efforts continue at an unprecedented pace.

In 2025, in just one month (May), China added 119 GW of solar and wind. That is 30% of the entire global nuclear fleet's nameplate capacity (393.4 GW built over 60 years). And get this... In just five months, China installed 244 GW of solar and wind<sup>3</sup>. That is a staggering 62% of nuclear's total nameplate capacity. By September 2025, China had installed more solar energy capacity than the rest of the world combined<sup>4</sup>.

Thus, it should not be surprising that the International Energy Agency reported in March 2025 that China had reached its peak oil demand<sup>5</sup>. and China's greenhouse gas emission fell in the first half of 2025<sup>6</sup>.

Lastly, China has been experimenting with carbon pricing since the mid-2010s and launched their national carbon pricing system in 2021<sup>7</sup>.

1) Webinar – The Cleantech Revolution (2024) Rocky Mountain Institute. Kingsmill Bond <https://rmi.org/event/webinar-the-cleantech-revolution-eu/>

- 2) X-Change: The Race to the Top (2024) RMI, Strategic Insights, Kingsmill Bond; Sam Butler-Sloss; Daan Walter: <https://rmi.org/insight/x-change-the-race-to-the-top/>
- 3) China Solar and Wind Installations Break More World Records (2025) EcoWatch Paige Bennett <https://www.ecowatch.com/china-solar-wind-installations-world-records-2025.html>
- 4) H1 2025: China Installs More Solar Than Rest of the World Combined (2025) Electrek Michelle Lewis <https://electrek.co/2025/09/02/h1-2025-china-installs-more-solar-than-rest-of-the-world-combined/>
- 5) Oil demand for fuels in China has reached a plateau (2025) IEA, Commentary. Ciarán Healy; Rebecca McKimm; Ivo Walinga <https://www.iea.org/commentaries/oil-demand-for-fuels-in-china-has-reached-a-plateau>
- 6) Analysis: Record solar growth keeps China's CO2 falling in first half of 2025 (August 2025) Carbon Brief. Lauri Myllyvirta <https://www.carbonbrief.org/analysis-record-solar-growth-keeps-chinas-co2-falling-in-first-half-of-2025/>
- 7) The development of China's national carbon market: An overview (2025) Sci Open. Xiliang Zhang, Runxin Yu, Valerie J. Karplus <https://www.sciopen.com/article/10.26599/ECM.2025.9400015>

## Renewable Energy and Storage are Unstoppable

Renewable energy adoption is surging globally, with seven countries already generating nearly 100% of their electricity from renewables, including Iceland, Norway, Paraguay, Albania, Bhutan, Nepal and the Democratic Republic of the Congo. Other countries, such as Costa Rica, Ethiopia and New Zealand, have made significant progress but do not yet achieve 100% renewable electricity year-round. (1)(2) More than 40 countries now produce over 50% of their electricity from renewables. (3)

Battery Energy Stationary Storage (BESS) has been the fastest growing battery market globally for the past three years. In 2024, it grew by 52%, compared with 25% growth in EV batteries, according to Rho Motion. China currently leads global BESS deployments, but other markets are expected to expand rapidly, driven by low-cost lithium-ion cells and new renewable capacity. By 2027, the top 20 countries' BESS capacity is projected to rise at least 289% compared with 2024, though growth will vary by region. Canada is expected to be the fastest growing market through 2027. (4)

In July 2025, the International Energy Agency declared that renewable energy will become the top energy source in 2026. (5) Why? New renewable energy is cheaper than new fossil energy. (6)

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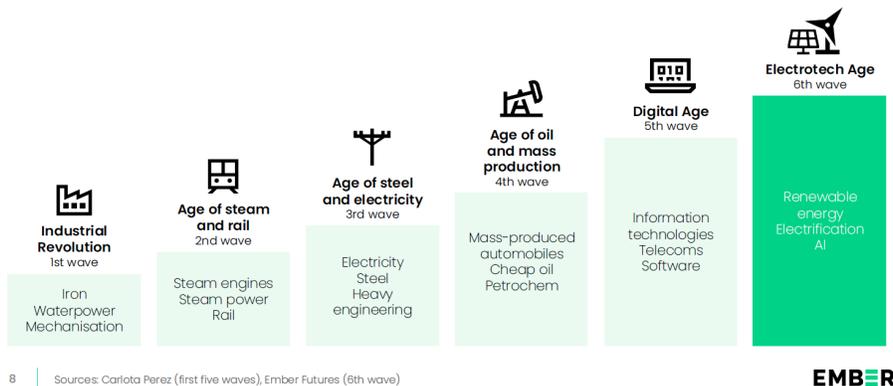
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2. 2025 Trends: Renewable Energy & Solar Research Report <https://to.ratedpower.com/ebooks/solar-research-report/>
3. List of countries by renewable electricity production, Wikipedia [https://en.wikipedia.org/wiki/List\\_of\\_countries\\_by\\_renewable\\_electricity\\_production](https://en.wikipedia.org/wiki/List_of_countries_by_renewable_electricity_production)
4. Which are the top 20 countries for battery energy storage capacity? Rho Motion <https://rhomotion.com/news/which-are-the-top-20-countries-for-battery-energy-storage-capacity/>
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6. Renewable Power Remains Cost-Competitive amid Fossil Fuel Crisis (IRENA): <https://www.irena.org/news/pressreleases/2022/Jul/Renewable-Power-Remains-Cost-Competitive-amid-Fossil-Fuel-Crisis>

**Recommendation:** Follow Mark Z. Jacobson on BlueSky

# The Global Electrotech Revolution

## This is the age of electrotech

It is the latest in a long line of technology shifts



**In a nutshell:** Energy systems are shifting from being fuel based to being technology based. The result is cheaper, cleaner, and more decentralised energy. Countries that invest early in this transition are poised to gain economic, geopolitical, and energy security advantages. Fossil fuel exporters risk being left behind.

Ember Energy's recent work, *The Electrotech Revolution*, projects that global fossil fuel demand will peak and begin to decline by around 2030 under current trends.

### Key drivers:

- Rapid scale up in solar, wind, batteries, electric vehicles, and heat pumps is rewriting the energy cost curve. Each doubling in deployment cuts costs by about 20 percent.
- Renewable energy is becoming more efficient and less wasteful than fossil fuels. We are using energy in ways that deliver more benefit per unit consumed.
- Emerging economies are vital. Many countries in Sub Saharan Africa, Asia, and Latin America are importing more renewables hardware, tapping into vast solar and wind potential. These regions will make up a large share of the increase in global clean energy adoption.

### Sources:

<https://ember-energy.org/latest-insights/the-electrotech-revolution>

<https://ember-energy.org/app/uploads/2025/09/Slidedeck-The-Electrotech-Revolution-PDF.pdf>

## The Fossil Fuel Non-Proliferation Treaty

Since 2022, Citizens' Climate Lobby Canada has supported the call for a new treaty to accelerate action toward a better future. Just as fifty years ago the world successfully negotiated a treaty to defuse the threats posed by the uncontrolled spread of nuclear weapons, the world today needs a Fossil Fuel Non-Proliferation Treaty to address the threat posed by fossil fuels.

To stop accumulating future climate damage, we need the community of nations to:

- **Non-Proliferation** – ending all new exploration and production of fossil fuels
- Global Disarmament** – phasing-out existing stockpiles in line with the 1.5°C Paris goals
- A Peaceful Transition** – fast-tracking a just transition for every worker, community, and country.

<https://fossilfuel treaty.org/>

## LNG - Not Worth The Risk

Canada and British Columbia are on track to give nearly \$4 billion to the Liquefied Natural Gas (LNG) industry by 2030. That means taxpayers are shouldering the rising costs and risks of LNG expansion, not the companies<sup>1</sup>. Prices are unstable, infrastructure is costly, and climate risks are growing<sup>2</sup>. In late September 2025<sup>3</sup>, gas prices fell below zero because of LNG startup issues and overproduction. But it's not too late. Policy-makers can still redirect these billions away from fossil fuels and toward priorities that benefit Canadians, not corporate profits.

1. Canada Set to Provide CAD 3.93 Billion in LNG Support by The End of 2030 (Sept. 17, 2025) | IISD| <https://www.iisd.org/articles/press-release/canada-set-provide-cad-393-billion-lng-support-end-2030>
2. Why Canadian LNG Is Not a Path to Global Energy Security or a Stronger Domestic Economy (July 10, 2025) Steven Haig, Nichole Dusyk | IISD| <https://www.iisd.org/articles/deep-dive/canadian-lng-is-not-path-to-energy-security-stronger-domestic-economy>
3. Canadian Gas Hits Sub-Zero as LNG Plant Hiccups Keep Supply High (Sept. 29, 2025) | Bloomberg | Robbet Tuttle| <https://www.bloomberg.com/news/articles/2025-09-29/canadian-gas-hits-sub-zero-as-lng-plant-hiccups-keep-supply-high>

## Canadian Banks are at a Climate Crossroads

Did you know Canada's Big Five banks have more of their loans in oil and gas than even the biggest American banks? InfluenceMap's September 29 report shows they are overexposed to risky, high-cost Canadian fossil fuels, more than any other banks in the world.<sup>1</sup> Despite representing just 0.5% of the global population, Canadian banks provide 15 % of global fossil fuel finance. In 2024 alone, they lent \$134.9 billion to fossil fuel companies, a 24 per cent increase from 2023. This massive support directly undermines climate progress and drives higher costs and damages for all Canadians.

The good news is about 70% of Canadians want our banks to invest in clean energy, not risky fossil projects.<sup>2</sup> Financial regulation is the missing piece of Canada's climate plan. That is why CCL supports clear government rules requiring banks, insurers, and pensions to phase out fossil funding, invest in clean energy, and end greenwashing. With strong policies, we can protect our planet, strengthen our financial system, and build long-term prosperity for everyone.

1. Canada's Big Five Banks: Fueling Fossil Risk? (September 19, 2025) | InfluenceMap | <https://influencemap.org/briefing/Canada-s-Big-Five-Banks-Fueling-Fossil-Risk-33753>
2. Public Backs Push to Shift Financial Institutions from Fossil Fuel Investments (June 20, 2025) | Environmental Defence| <https://environmentaldefence.ca/2025/06/20/public-supports-the-federal-government-transitioning-financial-institutions-away-from-oil-and-gas-investments/>

## Canada's Sustainability Standards Board (CSSB) Rules

Canada is falling behind on climate-related financial disclosure just as global markets move ahead. In 2023, the International Sustainability Standards Board (ISSB) launched a global framework for credible, comparable reporting. Already, 33 markets—including the EU, U.K., China, and Brazil, but not the USA—are adopting mandatory rules to prepare businesses for the climate and energy transition.

Canada started well. The Canadian Sustainability Standards Board (CSSB) released ISSB-aligned standards in December 2024, and the federal banking regulator quickly integrated them into mandatory rules for banks, insurers, and pension funds. The next step was for the Canadian Securities Administrators (CSA) to extend disclosure to companies which issue shares to the public across the broader economy. This is more complicated than one would hope. It is our understanding that the federal government backed out of the commitment to extend CSSB to large public companies. Much of this actually falls under provincial jurisdiction to enforce. The federal government has jurisdiction over federally incorporated companies.

But in April 2025, the CSA pressed “pause,” leaving disclosure voluntary. This weakens Canada’s competitiveness and denies investors and citizens consistent information. Voluntary efforts fall short: too few companies quantify financial impacts or explain how climate risks affect strategies.

In September 2025, Dutch pension fund PFZW stopped investing in BlackRock stock funds partly due to concerns over the U.S. firm’s sustainability voting record. To protect Canadians’ savings, attract investment, and strengthen the economy, the entire Canadian confederation must implement CSSB standards across all sectors.

As taxpayers, we are not experts, but we expect our government to align financial rules with climate science. Our financial system belongs to all of us. If banks fail to align their investments with the reality of legal fallout from fossil fuel pollution, the consequences of climate disruption, and the rapid transformations occurring in the energy sectors of our economy, the public will bear the cost.

## References:

1. Dutch fund PFZW reduces BlackRock ties over clash on sustainability (September 3, 2025) | Reuters | <https://www.reuters.com/sustainability/climate-energy/dutch-fund-pfzw-reduces-blackrock-ties-over-clash-sustainability-2025-09-03/>
2. Climate risk disclosures must be mandatory for companies (September 15, 2025) | The Globe and Mail | [https://www.theglobeandmail.com/business/commentary/article-climate-risk-disclosures-must-be-mandatory-for-companies/?intcmp=gift\\_subscribed](https://www.theglobeandmail.com/business/commentary/article-climate-risk-disclosures-must-be-mandatory-for-companies/?intcmp=gift_subscribed)

## Canada’s need for a Climate Taxonomy

Developing sustainable investment guidelines through the creation of a Canadian climate taxonomy could attract nationwide and global investment in clean energy projects and re-direct public and private funds away from fossil fuel-polluting industries. This was in the Liberal Party platform. Despite these benefits, and despite the fact that a climate taxonomy framework has been in the works in Canada since 2021, finalized guidelines have yet to materialize.

With this in mind, Citizens’ Climate Lobby Canada is now looking to encourage the current government to fulfil its campaign promises and ensure the climate taxonomy becomes operational and takes into consideration best practices outlined below.

## Best Practices for Developing Regulatory Frameworks

We agree with the United Nations’ [Integrity Matters](#) report, which states that net-zero strategies must be verifiable, genuinely low-carbon, and clean. Free, prior, and informed consent must also be central to all contracts with Indigenous Peoples, in line with the United Nations Declaration on the Rights of Indigenous Peoples. It is imperative that our government establish truly competitive procurement regulations for all energy projects.

## Methane: A Super-Pollutant We Can Solve

**In a nutshell:** Methane is over 80 times more powerful than CO<sub>2</sub>, and Canada’s biggest source is oil and gas. Cutting it is one of the fastest, cheapest ways to protect our health and climate. We need the government to move now on strong methane regulations.

Methane is a climate super-pollutant. Over 20 years, it traps more than 80 times more heat than carbon dioxide. And here in Canada, the oil and gas sector is the biggest source.

Back in 2023, the federal government drafted rules to cut methane 75% below 2012 levels by 2030. But delays and elections got in the way. Now, with the Carney government in office, we can't afford more excuses. This isn't just about climate change. Methane leaks also release toxic pollutants—like smog-forming gases and particulate matter that harm our health. They cause breathing problems, heart disease, and even cancer.

The good news? Cutting methane is one of the fastest and cheapest ways to protect the climate. Fixing leaks, plugging abandoned wells, and upgrading equipment not only cut pollution, they save money and create jobs.

We have the technology. We have the know-how. What we need is political will. That's why we're urging the government to make strong methane regulations a top priority, to protect our climate, our health, and our future..

## CCS: A Not So Grand Bargain

**Takeaway:** Building new fossil fuel infrastructure on the premise that Carbon Capture and Sequestration (CCS) will be able to sink emissions is a dangerous fairy tale.

CCS is a general term for a range of different industrial processes that can separate carbon dioxide (CO<sub>2</sub>) emissions from smokestacks and store it underground indefinitely as toxic waste.

Citizens' Climate Lobby does not oppose or support any specific technologies. Studies have found that **without adequate carbon pricing**, CCS deployed at the scale required to meet climate targets is unlikely.

<https://www.nature.com/articles/nenergy2017141> (2017)

<https://www.pembina.org/pub/not-so-grand-bargain> (October 2025)

One of the key conclusions of the final IPCC AR6 synthesis report in **March 2023** was clear: existing and currently planned fossil fuel projects are already more than the climate can handle.

<https://canada.citizensclimatelobby.org/ipcc-synthesis-report-how-to-diffuse-a-climate-time-bomb-hint-follow-the-money/>

An **April 4, 2023** analysis in Nature concluded:

*Humanity has never removed an atmospheric pollutant at a global, continental or, even, regional scale — we have only ever shut down the source and let nature do the clearing up. This is the case for chlorofluorocarbons and stratospheric ozone destruction, for sulfur dioxide and acid rain, and for sulfur and nitrogen oxides and photochemical smog. We must be prepared for CCS to be a failure, leaving us to rely on the environment to stabilize atmospheric CO<sub>2</sub> over thousands of years. This is another argument for rapid decarbonization.*

<https://www.nature.com/articles/d41586-023-00953-x>

A **September 2023** report from the International Institute for Sustainable Development (IISD) found CCS for oil and gas is too costly and unlikely to get much cheaper because the technology is complex, needs custom design for each project, and cannot benefit from mass production like solar panels.

<https://www.iisd.org/system/files/2023-09/bottom-line-why-carbon-capture-storage-cost-remains-high.pdf>

In **December 2023** Influence Map reported that most corporate advocacy promoting CCS for addressing climate change is not aligned with pathways recommended by the IPCC for limiting global temperature rise to 1.5°C or well-below 2°C. <https://influencemap.org/report/CCS-and-Corporate-Policy-Engagement-24754>

In **May 2024**, Greenpeace Canada reported that Shell's flagship CCS project generated over \$200 million (CAD) by selling credits for emissions cuts that never occurred. The findings, published in the investigative report *Selling Hot Air*.

<https://www.greenpeace.org/static/planet4-canada-stateless/2024/02/4b010c8b-en-selling-hot-air-report.pdf>

On **July 3, 2024**, Desmog reported that Canadian oil companies removed CCS claims from their websites before new rules in Bill C-59, came into effect. Bill C-59 introduced significant amendments to Canada's Competition Act, specifically targeting misleading environmental claims, commonly referred to as "greenwashing."

<https://www.desmog.com/2024/07/03/canada-competition-act-oil-companies-delete-carbon-capture-websites-new-regulations-pathways-alliance/>

An **April 2025** analysis of the impact of CCS on **water** resources in Alberta warns that future water supply has the potential to constrain CCS development.

[https://www.eralberta.ca/wp-content/uploads/2025/05/WaterSMART\\_CCUS-Study\\_Report\\_2025.04.08.pdf](https://www.eralberta.ca/wp-content/uploads/2025/05/WaterSMART_CCUS-Study_Report_2025.04.08.pdf)

In the spring of 2025 at a **Fraser Institute** meeting, **Bjorn Lomborg**, a well known fossil fuel proponent and "friend" of the Trump administration's energy secretary, upon reflecting on the fact that current costs for CCS in Canada could be as high as \$150 per tonne of CO<sub>2</sub> said, "***It's not going to happen.***"

<https://www.desmog.com/2025/06/05/carbon-capture-not-going-to-happen-top-fossil-fuel-advocate-predicts/>

Finally, a **September 2025** study in Nature challenged the idea that CCS can store massive amounts of CO<sub>2</sub>. While earlier estimates suggested 10,000 to 40,000 billion tonnes, the study finds only a small fraction is viable, with a safer global limit of about 1,460 billion tonnes.

<https://www.nature.com/articles/s41586-025-09423-y>

**Addendum:** This September 20, 2025 article by Anushka Yadav is deep and scathing.

<https://thepointer.com/article/2025-09-20/carney-backs-reckless-lng-project-unproven-carbon-capture-being-spun-as-clean-oil>

## Our Stance on Nuclear Energy

Citizens' Climate Lobby Canada does not advocate for or against nuclear power generation. We understand the science demonstrating nuclear power's low-carbon generating capacity, and we also recognise the objections many raise regarding costs, risks to health and safety, and environmental impacts. Our focus is a liveable future for all and that means energy systems should: **(a)** not pollute, **(b)** not destabilise the climate system, **(c)** operate safely at all times, and **(d)** avoid imposing massive hidden costs on society and nature.

We know that in 1999, Ontario Hydro went bankrupt due to enormous nuclear debts. Twenty-five years later, the debt is still \$12.1 billion, according to the 2024 Annual Report. In 2024, the Ontario Electricity Financial Corporation (OEFC) paid \$626 million in interest alone, funded by taxpayers and hydro users. The OEFC's longest loan does not end until 2 December 2050. [https://oefc.on.ca/pdf/oefc\\_ar\\_2024\\_e.pdf](https://oefc.on.ca/pdf/oefc_ar_2024_e.pdf)

The World Nuclear Industry Status Review is an annual independent assessment of the global nuclear industry. The report states that "*Small modular (nuclear) reactors continue to hog the headlines in many countries, even though all the evidence so far shows that they will likely face major economic challenges and not be competitive on the electricity market.*" Despite these concerns, proponents argue that these untested reactor designs could address the nuclear industry's challenges.

<https://www.worldnuclearreport.org/IMG/pdf/wnisr2022-v3-lr.pdf>

**Addendum:** We note that in June 2024, former Ontario Energy Minister Todd Smith left the government. After spending billions on the nuclear industry and promising billions more, Smith landed a job as a **vice president** of CANDU Energy Inc which is owned by SNC Lavalin. A CP wire story put it this way: "Ontario is selling itself as the nuclear North Star to guide the direction of American power."

<https://ottawa.citynews.ca/2024/08/02/ontarios-moment-minister-says-canada-building-blueprint-for-nuclear-energy-future/>

# The Power of Optimism and Effective Messaging

At CCL, optimism is one of our core values. We are trained to avoid cynical or doomsday messaging, which tends to overwhelm people, making them anxious and scared and ultimately causing them to tune out.

Robb Willer's 2011 research [Apocalypse Soon?: Dire Messages Reduce Belief in Global Warming by Contradicting Just-World Beliefs](#) has been a touch stone for us for almost 15 years. [Dr. Renee Lertzmann](#) and [Dr. George Marshall](#) have continued that education. We have learned from [Dr. Katharine Hayhoe](#) to instill truthful hope when communicating.

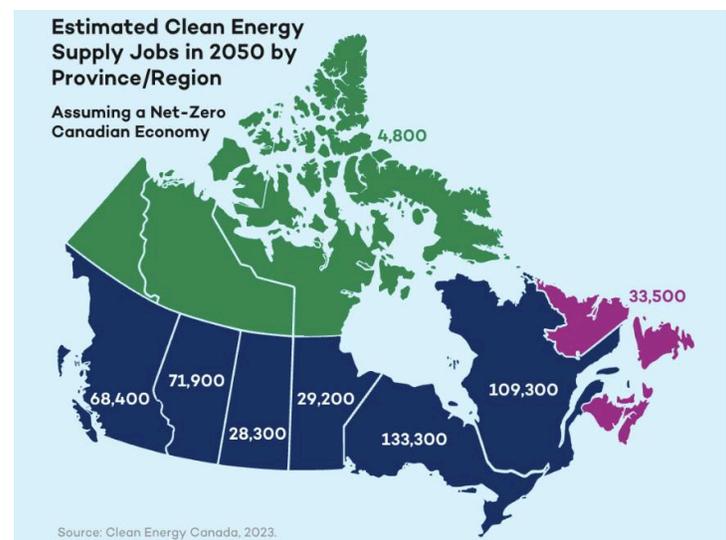
Lastly, a Canadian organization, Climate Access, has provided [education](#) on how to effectively message about climate change.

Evidence shows that structuring **narratives** around the message triangle of *challenge* → *pathway* → *benefits* is empowering.

## What About Jobs?

A 2023 report by Clean Energy Canada projected:

- Canada will see 700,000 more energy jobs in 2050 than exist today if Canada (and the world) reaches net zero, with growth in clean energy jobs outpacing the decline in fossil fuels.
- While there will be a 1.5-million job decline in fossil fuels in a net-zero 2050, this is far exceeded by the 2.2-million job increase in clean energy as employment in the sector grows 7% a year out to 2050.
- Jobs in Alberta's clean energy sector will grow 10% a year out to a net-zero 2050—the fastest of any province or territory—significantly more than the job decline expected in fossil fuels.



<https://cleanenergycanada.org/report/a-pivotal-moment/>

In August 2025, analysis by the Pembina Institute determined that Canada's oil and gas sector no longer guarantees widespread employment growth. Jobs have declined despite rising production, a trend expected to continue with the global energy transition. <https://www.pembina.org/pub/drilling-down>

Policymakers should focus on workforce development in decarbonization, renewables, and low-carbon industries to create sustainable, long-term jobs and economic resilience.

## Healthy, Wealthy and Wise

Every dollar spent on strong environmental regulation doesn't just cut greenhouse gases — it *pays back* via health savings. According to the Canadian Association of Physicians for the Environment, four major federal regulations implemented over 13 years have already prevented illnesses tied to air pollution, reducing hospitalizations, chronic respiratory conditions, cardiovascular disease, and premature deaths. Those health gains translate into **billions** in avoided medical costs and improved productivity through fewer sick days. The report argues that when you include these health co-benefits in cost-benefit analyses, climate action is not just defensible, it's a bargain.

<https://cape.ca/wp-content/uploads/2025/04/Healthy-Wealthy-Wise-Full-Report.pdf>

## Canada Needs Tax Reform

Many believe Canada's tax system is not fit for purpose. This is not surprising because the last comprehensive review of Canada's tax system was in the mid-1960s with the [Royal Commission on Taxation](#). More than half a century later, Canada needs a modernized tax system that can generate the revenue required to make life more affordable, support economic transformation, provide certainty for businesses, and protect the climate, and our natural heritage and culture as part of nation-building.

Three organizations publicly calling for tax reform are the [Chartered Professional Accountants](#), [Patriotic Millionaires Canada](#) and [Canadians for Tax Fairness](#).

## Canada's 2024 GHG Emissions Have Flatlined

Canada's GHG emissions progress flatlined in 2024. According to the Canadian Climate Institute, we're stuck at 694 megatonnes of CO<sub>2</sub>-equivalent, essentially unchanged from 2023. Previous gains have stalled, and at this rate, our 2030 reduction target is out of reach. All while Canadians face record wildfires, extreme weather, and rising costs.

**There's good news:** governments can act **fast**. The most effective, low-cost tool? **Modernizing industrial carbon pricing**. It keeps businesses competitive, incentivizes emissions cuts, and barely touches consumer bills. <https://climateinstitute.ca/news/2024-emissions-estimate-shows-progress-stalled/>

# Carbon Pricing

## The Climate Impact of Your Vote in 2019 Election

**Takeaway:** The 2019 Canadian federal election was widely regarded as a referendum on carbon pricing. Thus if you were a pro-climate voter in 2019, you were a **pro-carbon pricing voter** and your single vote had the equivalent of taking **34.2 tonnes CO<sub>2</sub>eq** or **14 cars** off the road for an entire year for three years!

**The full version:** Climate change, like voting in a democracy, is a problem that needs many people working together. Both give us a chance to make real change for the common good when large groups cooperate. But many people see it only as an individual action and think their efforts don't matter because the rest of the world isn't acting.

Many people don't realize it, but voting can be one of the most powerful actions a climate activist can take for both our democracy and our environment. It's hard to measure the emissions reduced by one vote, but we can connect voting for a pro-climate candidate to the policies that cut emissions.

<https://www.sciencedirect.com/science/article/pii/S2590332221001147>

The 2019 Canadian federal election offers a perfect case study. Leading up to the election, **four of the five major parties** presented platforms that would lead to modeled reductions in greenhouse gas emissions. The Conservative Party of Canada, by contrast, proposed removing existing policies, including the federal carbon tax, and enacting other policies which were widely criticized by climate experts.

<https://www.sciencedirect.com/topics/social-sciences/carbon-tax>

An analysis of the two opposing front-running party platforms (Liberals and Conservatives) at that time concluded that, by the year 2030, Canada would be emitting 100 megatonnes of CO<sub>2</sub> emissions less per year under a Liberal-led government thanks in large part to their pro-carbon pricing policies.

<https://policyoptions.irpp.org/magazines/august-2019/emissions-will-rise-under-conservative-climate-plan/>

They calculated that the average pro-climate voter in the 2019 election helped cut Canada's CO2 emissions by 34.2 tonnes each year for 3 years. That's like taking 14 cars off the road for three years. Voting for the climate really matters, and we need to use these rare chances whenever we can.

## Carbon Pricing Works

Between 2010 to election 2025 CCL lobbied for carbon pollution pricing with rebates because it is widely considered to be the most efficient and least costly way to reduce emissions and it clearly reduced income inequality - climate change's *evil twin*. That being said, at the end of the day, we are not attached to any one policy, but rather, we are attached to having a liveable planet. We are open to effective solutions that are supported by consensus data. As of yet, it's as simple as this: we have not been shown a better solution.

### 30 Year Longitudinal Data (June 2020)

Analysis of 142 countries over 20 years shows that countries with a carbon price have CO<sub>2</sub> emissions growth rates 2 percentage points lower than those without. Each additional €1/tonne of CO<sub>2</sub> reduces annual emissions growth by about 0.3 percentage points, all else equal.

<https://link.springer.com/article/10.1007/s10640-020-00436-x>

### Major meta-study finds carbon pricing works

A meta-analysis published in May 2024 provides robust evidence that carbon pricing effectively reduces greenhouse gas emissions by 5-21% in the early years of implementation. Analyzing 21 policies, it found significant reductions across various schemes, contradicting previous reviews with unclear methodologies. The effectiveness varies by policy design and context, rather than price level. The study emphasizes the need for more high-quality research, particularly on long-term and high-price schemes, to better understand policy impacts and optimize climate strategies. <https://www.nature.com/articles/s41467-024-48512-w> (May 2024)

### The Economist: Impacts of Carbon Pricing in the EU

In a April 2024 article from The Economist, the European Union's carbon pricing policy was lauded as its "biggest climate achievement" due to the fact that sectors covered by this emissions pricing scheme have jointly reduced emissions by 47% compared to when the scheme was first launched.

They state that carbon pricing will cover the lion's share of the EU's envisioned 90% emissions reduction for 2040, provided that "politicians have the courage to avoid interfering if higher carbon prices become painful for consumers and industry."

<https://www.economist.com/europe/2024/04/25/carbon-emissions-are-dropping-fast-in-europe>

### IPCC Data

The AR6 IPCC reports acknowledges carbon pricing as an effective lever to reduce emissions: "*There is abundant evidence that carbon pricing policies reduce emissions.*" Implementing carbon pricing enables low-carbon solutions, like heat pumps, electric vehicles, geothermal energy, renewables, and many more — to develop and scale across the world. However, the report underlines that "*while the coverage of emissions trading and carbon taxes has risen, both coverage and price are lower than is needed for deep reductions*".

[https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC\\_AR6\\_WGIII\\_Chapter13.pdf](https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_Chapter13.pdf)

### Risk of Debt Crisis

The International Monetary Fund (IMF) warned October 2023 that relying solely on subsidies to transform our energy systems could increase debt relative to GDP, potentially leading to a debt crisis.

<https://www.ifre.com/story/4155199/imf-warns-of-climate-linked-debt-crisis-hnm9dtsfp2>

## Independent Assessment of Canadian Climate Policies

The Climate Institute, in their analysis of Canada's current climate policies found that with the maintenance of the carbon price in large-emitter programs and with the implementation of policy for heavy transport and buildings, it would be enough to "put Canada on a path for net emissions of 482 MtCO<sub>2</sub>e in 2030, or a 34 per cent reduction below 2005 levels."

1: <https://climateinstitute.ca/wp-content/uploads/2023/12/ERP-assessment-2023-EN-FINAL.pdf>

**Expert Endorsements:** Integrity is one of our core values. Thus, we follow the experts. The carbon pollution fees with rebates approach garnered widespread support from thousands of professional economists worldwide (1), including 28 Nobel laureates (2) and over 400 Canadian Economists (3),

1: <https://www.eaere.org/statement/>

2: <https://www.econstatement.org/>

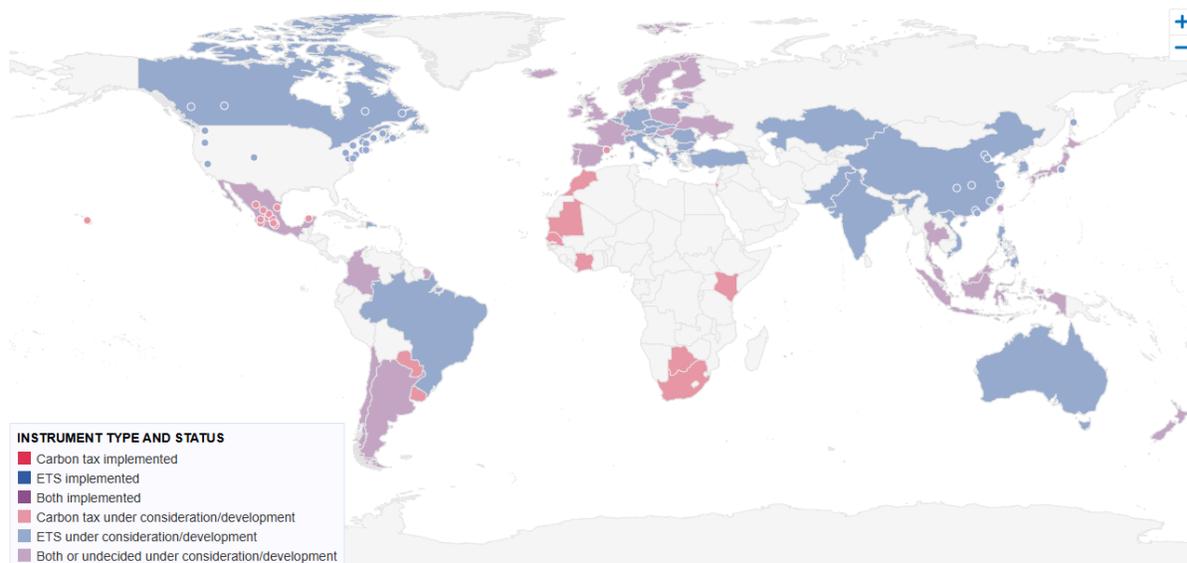
3: <https://ecofiscal.ca/2024/03/26/open-letter-carbon-pricing/>

## Enterprise Professor, Rod Sims

In a September 2025 article with regards to decarbonizing the Australian economy, Professor said, "With a carbon price off the table, the government is left with expensive and slow policies..... It's counterproductive not to use the most efficient mechanism to reduce emissions."

<https://theconversation.com/cut-emissions-70-by-2035-theres-only-one-policy-that-can-get-us-there-264884>

## Carbon Pricing Around the World (September 2025)



Carbon pricing initiatives have been implemented or scheduled for implementation in 95 jurisdictions. This includes **52 national initiatives** and 43 subnational initiatives. In 2024, these initiatives covered **14.7 GtCO<sub>2</sub>e**, representing **28%** of global GHG emissions. However, only **3.2%** of global emissions currently covered by a carbon price are within the price range needed by 2030. Prices must rise considerably to meet the Paris Agreement temperature goal of 1.5 degrees.

<https://carbonpricingdashboard.worldbank.org/>

# Models Show the Power of Canada's Carbon Pricing Policies

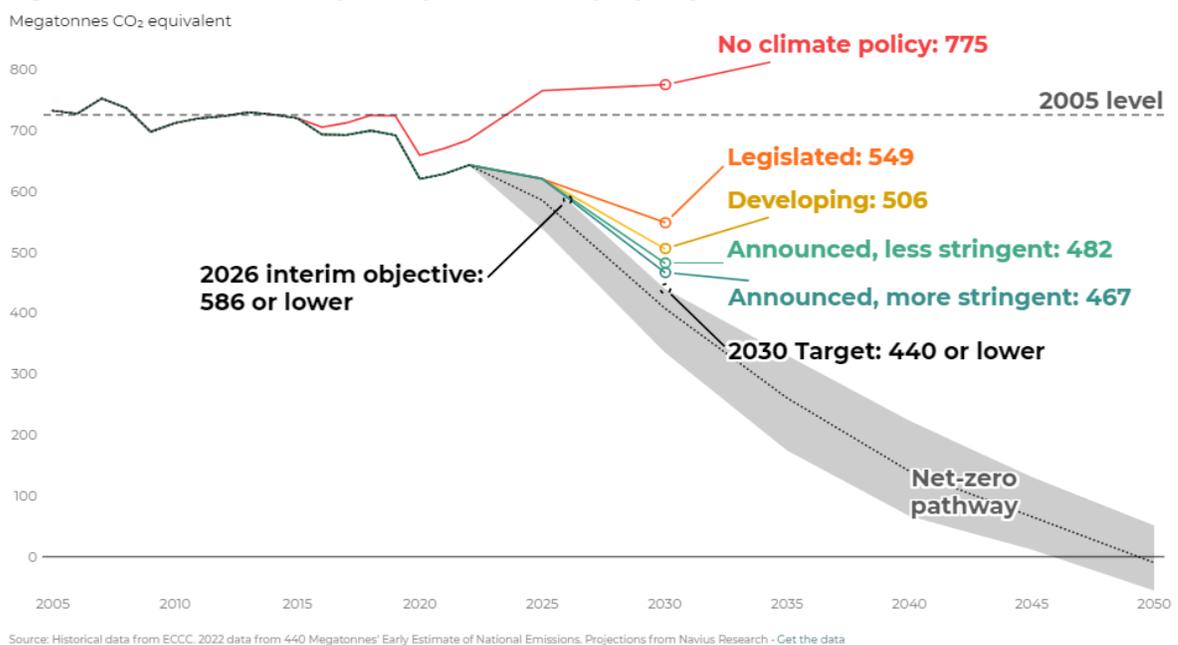
## Canada's Carbon Pricing Impact (Navius Research, March 2024)

By 2030, Canada's existing climate policies are projected to prevent about **200 Mt of GHGs**, roughly the annual emissions of Ontario and Québec. Yet we remain at least **109 Mt short** of the 440 Mt target (40% below 2005 levels). Without these policies, emissions could reach **775 Mt in 2030**, 41% higher than under current legislation.

### Key carbon pricing policies:

- **Fuel Charge (consumer carbon price):** -18 to -32 Mt (-8% to -14%)
- **Output-Based Pricing System (large emitters):** -45 to -90 Mt (-20% to -40%)
- **Oil & Gas Emissions Cap:** -16 to -77 Mt (-7% to -34%)

**Figure 1: Canada's emissions pathways across multiple policy scenarios**



All climate policies interact, with some variability, and reduce long-term climate damages, lowering costs for Canadians and the economy.

**Fuel Charge:** Consumer-based carbon price with rebate, removed from the books in May 2025.

**OBPS:** Covers heavy emitters with some loopholes in oil and gas; CCL Canada has lobbied extensively.

**Oil & Gas Cap:** Canada's first sector-specific emissions cap, combining cap, trade, and offsets; its implementation is uncertain.

### References

- Greenhouse Gas Pollution Pricing Act <https://laws-lois.justice.gc.ca/eng/acts/G-11.55/index.html>
- 440 Megatonnes Insight | Which Canadian climate policies will have the biggest impact by 2030? <https://440megatonnes.ca/insight/industrial-carbon-pricing-systems-driver-emissions-reductions/>
- Interactive tool | 440 Megatonnes Emissions Pathway Track <https://dashboard.440megatonnes.ca/>

- 2023 | Independent Assessment of Canada's 2023 Emissions Reduction Plan Assessment Report <https://climateinstitute.ca/wp-content/uploads/2023/12/ERP-assessment-2023-EN-FINAL.pdf>
- Reducing the costs of climate impacts in Canada <https://climateinstitute.ca/reports/damage-control/>
- Exclusive: Canada may drop oil emissions cap as part of new climate plan, sources say <https://www.reuters.com/sustainability/climate-energy/canada-may-drop-oil-emissions-cap-part-new-climate-plan-sources-say-2025-09-11/>

## The Constitutionality of Carbon Taxes vs Caps on Emissions

Back in 2010, our early work at Citizens' Climate Lobby in Canada showed how **constitutionally difficult** it would be for the federal government to impose a cap on provincial and territorial energy sectors. That's why we focused our efforts on carbon pricing. Our source: *The Case of the Carbon Tax* by Dr. Shi-Ling Hsu. He was our keynote speaker at our first conference in 2013. <https://islandpress.org/books/case-carbon-tax#desc>

The constitutional reasoning hasn't changed: the Supreme Court upheld a federal carbon price with revenues circulating back to provinces. But a sectoral cap is far less clearly supported because Ottawa can't directly control provincial energy files. Here's a legal commentary that lays out some of the risks: <https://www.osler.com/en/insights/updates/federal-government-constitutionally-questionable-oil-gas-sector-emissions-cap/>

## B.C. Debt and Deficit Balloon with Carbon Tax Gone

The cancellation of British Columbia's consumer carbon tax has contributed to a record-high provincial deficit and rising debt. Finance Minister Brenda Bailey reported a projected deficit of \$11.6 billion for 2025–2026 and debt expected to reach \$213 billion by 2028, citing the tax elimination alongside global trade uncertainty as key factors. GDP growth forecasts have also been downgraded for 2025 and 2026. Analysts and business leaders warn that debt-fuelled spending and persistent deficits limit investments in infrastructure and public services, while the government is reviewing spending and seeking revenue through economic development to stabilize finances.

<https://www.ctvnews.ca/vancouver/article/british-columbians-to-get-an-update-on-the-provincial-books-and-economic-picture/>

## Low-Income Households Pay the Price for Carbon Policy Change

In July 2025, Statistics Canada reported that the gap between the country's highest- and lowest-income households reached a record high in the first quarter of 2025. Thus, we were disheartened but not surprised to read the July 2025 study from the C.D. Howe Institute showed that low-income households lost out in the switch from the carbon rebate to the 1% drop in personal income tax intended to help Canadians with inflation. CCL spent years educating our communities on the importance of equitable climate policy, and these findings highlight the risks of poorly designed measures. Note the Government's announcement on October 10, 2025 to make life more affordable for Canadians, did not address this unfortunate consequence of the impact of cancelling the carbon rebate on low-income households. Is this the Canada we really want?

### References

1. Distributions of household economic accounts for income, consumption, saving and wealth of Canadian households, first quarter 2025 (July 2025) | Statistics Canada | <https://www150.statcan.gc.ca/n1/daily-quotidien/250716/dq250716a-eng.htm>
2. From Rebate to Rate Cut: Low-Income Households Lose Out (July 2025) | C.D. Howe Institute | Leslie Shiell and Nicholas Dahir <https://cdhowe.org/publication/from-rebate-to-rate-cut-low-income-households-lose-out/>

# Climate Leaders Cut Pollution

Canada’s oil and gas emissions cap is meant to cut pollution, not let companies buy their way out. Offsets and the Decarbonization Fund risk delaying real action and often fail to reduce emissions. Citizens’ Climate Lobby Canada calls for hard caps with real cuts at the source. Climate leadership isn’t about accounting tricks. It’s about a measurable and immediate pathway to decarbonization in alignment with science.

## Importance of industrial carbon pricing and why it needs improvement

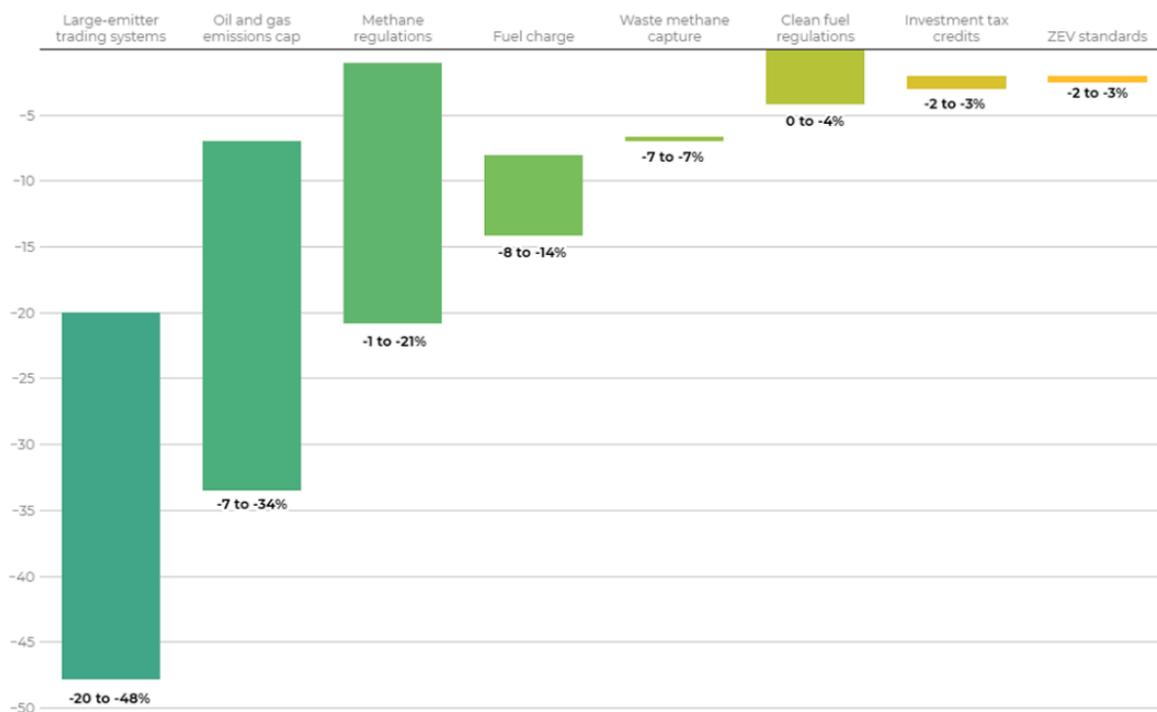
**Takeaway:** Under the Paris Agreement, Canada committed to lowering its greenhouse gases by **40–45%** by 2030. Industrial carbon pricing is the most effective way to lower carbon pollution; however, the Canadian government needs to continue to improve these systems to maximise its potential.

**Details:** A study by the **Canadian Climate Institute (CCI)** and **Navius Research** found that industrial carbon pricing—referred to as Large-emitter trading systems—reduces carbon pollution the most.

<https://440megatonnes.ca/insight/industrial-carbon-pricing-systems-driver-emissions-reductions/>

**Figure 2: Range of incremental emissions reductions from climate policies in 2025-2030**

Share of total emissions reductions between the baseline and the full ERP policy scenarios (%)



The **Large-emitter trading system (LETS)** regulates industrial carbon pricing by setting emissions benchmarks. Firms that exceed the limit must buy carbon credits, while those that pollute less can sell excess credits for profit. This market incentivizes lower emissions but has little impact on households.

<https://climateinstitute.ca/reports/the-state-of-carbon-pricing-in-canada-2024/>

While we do have LETS in place already, they are nowhere near perfect and require strengthening to maximise their potential. Oversupplying credits or keeping the price too low threaten the integrity of the system. In fact, CCI have raised a concern that if these issues are left unaddressed, “Canada could miss out on up to 48 megatonnes (Mt) of emissions reductions by 2030, slashing the impact of LETS by nearly half.”

<https://440megatonnes.ca/insight/emissions-reduction-industrial-carbon-pricing/>

## Challenges facing large-emitter trading systems:

Firstly, it is likely, the projected cost of carbon credits will decrease in the coming years. If the price of carbon credits falls, the incentive to reduce emissions weakens.

As well, excess carbon credits can push prices below the federal benchmark, weakening incentives for industries to cut emissions. The federal government must stay on track to reach the \$170/tonne CO<sub>2</sub> target by 2030 to prevent this. <https://440megatonnes.ca/insight/emissions-reduction-industrial-carbon-pricing/>

Low participation is another challenge for LETS, especially after the federal fuel charge was removed in April 2025. Previously, opt-in facilities could pay the fuel charge or join the carbon market, with the latter often being more profitable. Even though an opt-in facility tends to be a smaller facility than a large-emitter site, on average, these opt-in facilities create “the same amount of greenhouse gases as 2,200 cars each year.” Now, these opt-in facilities can decide not to participate in LETS without worrying about paying the federal fuel charge. <https://440megatonnes.ca/insight/industrial-carbon-pricing-threats-that-demand-urgent-attention/>

If opt-in facilities leave LETS markets, Canada could lose **31 Mt** of coverage—about **9% of 2023** emissions. Transparency on design choices such as disclosure and pricing alignment is also lacking, making it hard to compare systems and assess fairness. Strengthening regulation and transparency will improve LETS.

Canada currently has eleven federal and provincial LETS confusingly called by another name Output-Based Pricing Systems (OBPS).

Having different versions of OBPS programs results in uneven carbon costs across the country, as stated by the 2020 Expert Assessment, which claims that “...*marginal carbon incentives are not uniform across the country. Design choices that deliberately dilute the carbon price signal work against the overall effectiveness of a unified carbon pricing policy.*” These cost incentives range from a low of \$16 to a high of \$41.

<https://climatechoices.ca/wp-content/uploads/2021/06/State-of-carbon-pricing-report-English-FINAL.pdf>

The government has a lot of work to do to upgrade these systems. Aligning a national price floor will allow for credit trading transparency and help develop and clarify coordinated policy alignment.

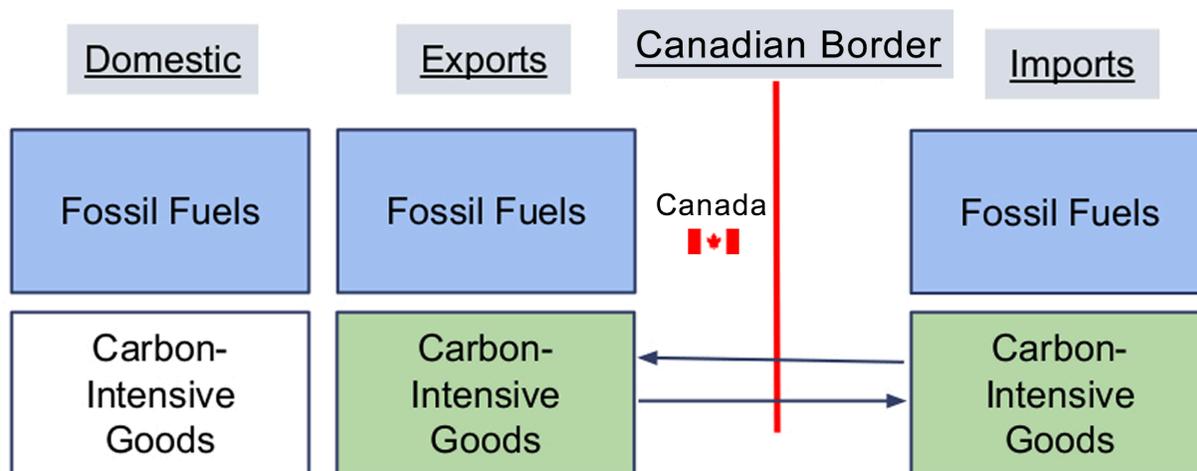
Province/Territory	System Type	Name of System / Notes	Applies To (Threshold)
British Columbia	Provincial – Tax + Performance-based	IER (Industrial Emissions Regulation) + Carbon Tax	Incentives via CleanBC; Tax rebates based on efficiency
Alberta	Provincial OBPS	TIER (Technology Innovation and Emissions Reduction)	≥100,000 tCO <sub>2</sub> e/year (opt-in ≥10,000)
Saskatchewan	Provincial OBPS	SK OBPS	≥25,000 tCO <sub>2</sub> e/year (opt-in ≥10,000)
Manitoba	Federal OBPS	Federal backstop applies	Standard federal threshold (≥50,000)
Ontario	Provincial OBPS	EPS (Emissions Performance Standards)	≥50,000 tCO <sub>2</sub> e/year (opt-in ≥10,000)
Québec	Cap-and-Trade System	Cap-and-Trade (WCI)	≥25,000 tCO <sub>2</sub> e/year
New Brunswick	Federal OBPS	Federal backstop applies	Standard federal threshold
Nova Scotia	Federal OBPS (since 2023)	NS Cap-and-Trade ended	Standard federal threshold
Prince Edward Island	Federal OBPS	Federal backstop applies	Standard federal threshold
Newfoundland & Labrador	Federal OBPS	Provincial tax covers fuels; federal OBPS covers industry	Standard federal threshold
Yukon	Federal OBPS (tailored)	Applies selectively	Large emitters, a few industrial sources
Northwest Territories	Territorial Carbon Tax (Modified OBPS)	No full OBPS; exemptions for small-scale industry	Applies via NWT Carbon Tax law
Nunavut	Federal OBPS	Applies in principle, but limited coverage	Few large industrial emitters

# Carbon Border Adjustment Mechanisms

Since 2010, Citizens' Climate Lobby Canada has advocated fossil fuel pollution pricing with a Carbon Border Adjustment Mechanism (CBAM) on carbon-intensive, trade-exposed goods.

Imports from countries without a carbon price equivalent to Canada's would pay a surcharge, while Canadian exports to such countries would receive a refund for their carbon fees. This CBAM helps protect Canadian manufacturers from a competitive disadvantage, discourages relocation overseas, and encourages other countries to adopt their own carbon pricing. A Canadian CBAM must take into consideration common but differentiated responsibilities when rolled out internationally.

On May 16, 2022, Canada and the EU issued a joint declaration to coordinate carbon pricing and carbon border adjustments mechanism, aiming to prevent carbon leakage and expand global carbon pricing. <https://www.consilium.europa.eu/en/press/press-releases/2022/05/16/joint-declaration-following-the-third-eu-canada-joint-ministerial-committee-meeting/>



**An illustration of how a CBAM works:** Blue boxes indicate goods subject to the fee, while green boxes show goods subject to the border adjustment.

## The European Union's Carbon Border Adjustment Mechanism (CBAM)

**In a nutshell:** The recognition of Canada's carbon pricing in the Carbon Border Adjustment Mechanism (CBAM) will mitigate some challenges. The potential establishment of a Canadian CBAM may further influence trade dynamics and competitiveness. Businesses and industry need certainty. Monitoring the development of both mechanisms will be crucial for businesses and policymakers in Canada.

As of September 2025, the European Union's Carbon Border Adjustment Mechanism (CBAM) is set to fully launch in January 2026, with implementation rules expected to be finalized in the coming weeks.. This mechanism will impose a carbon price on imported goods in sectors such as steel, cement, aluminum, fertilizers, and electricity, aiming to level the playing field for EU producers by aligning carbon costs between domestic and imported products.

<https://carbon-pulse.com/438359>

[https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/03/what-to-expect-from-the-eu-carbon-border-adjustment-mechanism\\_a21e9b51/719d2ff9-en.pdf](https://www.oecd.org/content/dam/oecd/en/publications/reports/2025/03/what-to-expect-from-the-eu-carbon-border-adjustment-mechanism_a21e9b51/719d2ff9-en.pdf)

**Canada's Position and Impact:** Canada is not exempt from the CBAM. However, the carbon price paid in Canada will be taken into account when the EU CBAM is applied, potentially reducing the financial burden on Canadian exporters. This consideration is particularly relevant for Canada's low-carbon steel and aluminum sectors, which may benefit from the CBAM by gaining access to the EU market.

<https://search.open.canada.ca/qpnotes/record/aafc-aac%2CAAFC-2025-QP-00043>

[https://www.anthesisgroup.com/insights/cbam-canadas-steel-and-aluminum-advantage/?utm\\_source=chatgpt.com](https://www.anthesisgroup.com/insights/cbam-canadas-steel-and-aluminum-advantage/?utm_source=chatgpt.com)

While Canada has not yet implemented its own CBAM, there is ongoing discussion about establishing one. A report from the International Emissions Trading Association (IETA) indicates that the new Canadian government is expected to work on the establishment of a Canadian CBAM, although no specific timeline has been.

[https://www.ieta.org/uploads/wp-content/Resources/Reports/IETA\\_Report\\_CBAM-2025\\_FINAL2.pdf](https://www.ieta.org/uploads/wp-content/Resources/Reports/IETA_Report_CBAM-2025_FINAL2.pdf)

**Canada-EU Trade Relations:** Canada and the EU continue to strengthen their trade relationship. On August 1, 2025, the EU-Canada Mutual Recognition Agreement (MRA) for Authorized Economic Operator (AEO) programs officially entered into force. This agreement aims to streamline customs procedures and enhance supply chain security for compliant businesses on both sides of the Atlantic Taxation and Customs Union.

[https://taxation-customs.ec.europa.eu/news/eu-canada-aeo-mutual-recognition-agreement-enters-force-boosting-trade-security-and-efficiency-amid-2025-08-01\\_en](https://taxation-customs.ec.europa.eu/news/eu-canada-aeo-mutual-recognition-agreement-enters-force-boosting-trade-security-and-efficiency-amid-2025-08-01_en)

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