

Canada, Climate Change, and Clean Hands: Finding Our Place in Post-Paris Climate Governance

by Madeleine Cavanagh

On the opening day of the Paris COP21 climate summit in December 2015, newly elected Prime Minister Justin Trudeau announced to his fellow world leaders that after nearly a decade of climate inaction under the previous federal government, “Canada is back,” and ready to lead the development of multilateral solutions on climate change.¹ True to his word, Trudeau sent more than 300 Canadian delegates to Paris; pledged \$2.6 billion to climate finance initiatives, and ensured Canadian leaders were heavily involved in the facilitation of negotiations.² The conference was a milestone in global climate change negotiations, and the Canadian federal government played a leading role in its success.

With Trudeau at the helm, Canada is poised to be at the forefront of post-Paris climate policy on both the domestic and international level. But whether the new federal government’s actions will be sufficient to compensate for past neglect and achieve the nation’s ambitious intended contribution of 30% below 2005 emission levels by 2030,³ remains to be seen. To achieve this goal, there is much work to be done. Although Canada’s greenhouse gas (GHG) emissions only account for 1.6% of the world’s GHG emissions as of 2012,⁴ the nation still ranks among the top ten per-capita emitters globally.⁵

To cement his legacy as a global leader on climate change, Trudeau should look to a past Canadian government, namely that of former Prime Minister Brian Mulroney, who was awarded the title of Canada’s “Greenest Prime Minister” in 2006.⁶ Between 1984 and 1993, Mulroney led Canada through a golden age of environmental policy and multilateral engagement, making headway on a number of pressing climate change issues, the most significant being acid rain. In 1991, Mulroney passed a landmark bilateral acid rain agreement with the United States through the adoption of a Clean Hands strategy, centered on “leading from the front,” by implementing

stringent regulation at home before encouraging other countries to do the same.⁷ Only by adopting Mulroney's approach, and leading globally with innovative climate change mitigation strategies, will Trudeau build sufficient political capital to influence multilateral climate change agreements and regain Canada's reputation on the world stage as an environmental trailblazer.

Keeping Canadian Hands Clean

Former Prime Minister Brian Mulroney's Clean Hands policy proved effective in maximizing Canada's influence in the United States, leading to the joint adoption of the Acid Rain Accord in 1991. Between 1991 and 2006, acid rain decreased by 40 percent, and sulphur dioxide emissions in eastern Canada declined by 50 percent.⁸ Proof Positive that the Clean Hands policy is an effective model for modern day Canadian strategies on climate change.

This Acid Rain deal would not have been impossible without strong leadership from Ottawa. For years, Ronald Reagan's administration was reluctant to act on acid rain, influenced by the powerful coal lobbyists and arguing that there was insufficient evidence to link acid rain to harmful environmental phenomenon including the death of lakes.⁹ Mulroney was finally able to broker the deal after George H.W. Bush came to power by first working with the seven Canadian provinces east of Saskatchewan to establish a sulphur dioxide emissions reduction target of 50 percent below 1980 levels by 1994, and by pushing Canadian industries to cut back on emissions significantly.¹⁰ Only after this target was achieved at home did Mulroney turn back to the United States Congress in 1988, asking, "nothing more than this from you."¹¹ Through an approach blending perseverance and a willingness to lead from the front, Mulroney convinced the U.S. to act on acid rain, first by agreeing to an envoy process at the 1985 Shamrock Summit in Quebec City under the Reagan administration, and finally by passing the Accord in 1991 under George H.W. Bush.¹²

Current Canadian Climate Change Policy: At Home and Abroad

If Trudeau's first year in office is any indicator, the future bodes well for Canadian domestic environmental policy and for the nation's engagement with multilateral climate change negotiations. In many respects, Trudeau is already employing a Clean Hands approach by working to build Canada's reputation on the international stage, while also ensuring that the nation sets a strong example on the home front.

Since winning the federal election in November 2015, Trudeau and his Liberal party

have made it a priority to re-establish Canada's reputation as a climate leader by setting ambitious goals at the national and sub-national level. In March 2016, Trudeau met with provincial and territorial premiers for the First Ministers' conference and drafted the Vancouver Declaration on Clean Growth and Climate Change, featuring a sub-national climate change action plan. The plan advocates for investments in green infrastructure, doubling government investment in clean energy research and development over the next five years, and establishing four working groups aiming to develop mitigation and adaptation solutions, including one centered on carbon pricing mechanisms.¹³ By signing the Vancouver Declaration with the provinces and territories, Trudeau highlighted the collaborative spirit of his government.¹⁴ Further, the Declaration embodies a proactive approach to climate change mitigation that will serve Canada well in future multilateral negotiations. Building on a sense of national unity fostered through the Vancouver Declaration, in July 2016, Environment and Climate Change Minister Catherine McKenna announced plans to implement a nation-wide carbon price by the end of the year.¹⁵ In many respects, this announcement was symbolic, given that 80 percent of Canada's GHG emissions already are or will soon be under some form of carbon price.¹⁶ Still, the forward-thinking vision that the policy embodies will provide Canada with much needed leverage in the international climate arena.

At the Paris COP21 Summit, Canada was able to establish itself as a climate change leader. The nation went beyond the 2°C goal, joining the High Ambition Coalition, a group of nations aiming to keep global warming below 1.5°C.¹⁷ After Paris, the Canadian federal government joined the Carbon Pricing Leadership Coalition, an initiative launched by the World Bank to bring together global leaders in the public and private sector promoting the implementation of carbon pricing mechanisms.¹⁸ More recently, at the 2016 North American Leaders Summit, Trudeau worked alongside fellow North American heads of state, Barack Obama and Enrique Peña Nieto, in the development of aggressive climate change mitigation targets, including a goal of 50 percent clean power generation across the continent and reducing methane emissions in the oil and gas sector by 40 to 45 percent by 2025.¹⁹ The goals established at the Summit are non-binding, and therefore aspirational. Still, they underscore Trudeau's commitment to ambitious climate change goals on the multilateral level.

Trudeau has already gained credibility in the international arena, ensuring that Canada is a key player in climate change negotiations to come. But to maintain this upward trajectory on climate policy, the federal government must continue to implement aggressive mitigation policy, and should encourage sub-national governments to do the same.

What Does the Future for Canadian Climate Change Policy Look Like?

The federal government has already made major strides towards robust Canadian climate change leadership. However, if Trudeau aspires to a legacy as a climate trailblazer, the nation has a ways to go. Minister McKenna's promise of a national carbon price sets an optimistic tone for the future of Canadian climate change and energy policy. But a national carbon pricing system alone will not reduce GHG emissions sufficiently to achieve Canada's Paris commitment, especially with a price similar to those implemented sub-nationally. Although Canada's four most populous provinces have implemented or will soon implement some form of a carbon pricing instrument, there remains a 38 percent gap between Canada's 2030 GHG emission target and the government's current projected emissions.²⁰ To bridge this gap and earn the political capital necessary to influence global climate change debates, Canada needs to go beyond this measure, pushing through federal climate policies and advocating for stronger regulation at the sub-national level, as Mulroney did with acid rain regulation.

An important early step would be to set an aggressive Pan-Canadian carbon tax, or to advocate for an increase on sub-national carbon prices. Currently, the highest price on carbon emissions is in British Columbia at \$30/tonne. An economic analysis conducted by The Pembina Institute, recommends that a \$100/tonne by 2020²¹ would help fill the gap between current emission reduction projections and Canada's Paris goal. A carbon price of this scale, at either the national or sub-national level, would be controversial, but Trudeau's high approval ratings in Canada might help to mitigate backlash following the enactment of an aggressive carbon price. Moreover, following in the footsteps of former Prime Minister Mulroney, who pushed provinces to regulate acid rain before asking the same of the U.S. Congress, a demonstrated commitment to climate change mitigation led by the federal government in partnership with the provinces and territories, would ensure that Canada is well-positioned to ask for similarly ambitious commitments from other countries.

The federal government must also work with sub-national partners to reevaluate expedient allocation of carbon tax revenue. This revenue is traditionally used to cut taxes in other areas, allowing the carbon tax to be "revenue neutral", and making the tax more politically palatable. But even with a national carbon price, consumers are unlikely to reduce energy consumption without other incentives. To influence the behavior of companies and individual actors sufficiently, carbon tax revenue, should be put towards building the infrastructure necessary to make green behaviors, such as minimal energy use and energy-efficient transportation, feasible. This infrastructure could include bike paths, electric vehicles, and investments in public transit. In June 2016, Ontario Premier

Kathleen Wynne announced Ontario's Climate Action Plan, featuring investments in many of these areas as part of the province's plan for GHG mitigation at the sub-national level.²² While Prime Minister Trudeau has emphasized that carbon price revenue allocation will continue to be determined at the sub-national level after the implementation of a national carbon price, advocating for revenue allocation plans similar to that announced by Premier Wynne would ensure that Canadians can maximize their contributions towards national GHG reductions.

Conclusion

Just as Brian Mulroney went from, "yelling at the rain,"²³ to passing the Acid Rain Accord, Justin Trudeau can ensure that Canadian climate policy falls on the right side of history by keeping Canadian "hands clean" and pushing forward stringent regulation at the national level. Canada's efforts at the multilateral level are more likely to be met with success if Prime Minister Trudeau can proudly say that the country is doing its fair share towards climate change mitigation on the home front. Although the future looks promising for Canadian engagement in climate change issues, to maintain this upward trajectory, Trudeau will need to continue to implement robust action throughout his time in office.

The views and opinions expressed in this article are solely those of the author.

Endnotes

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