



Bill 172: Climate Change Mitigation and Low-Carbon Economy Act

Speaking notes on RNAO's submission to the Standing Committee on General Government

April 6, 2016

Check against delivery



My name is Natalie Lapos, and I am the co-chair of RNAO's *Ontario Nurses for the Environment Interest Group*. With me today is, Kim Jarvi, Senior Economist for RNAO. As you may know, we are the professional association representing registered nurses, nurse practitioners and nursing students in Ontario.

RNAO welcomes this opportunity to speak on Ontario's carbon-pricing legislation, Bill 172. Carbon pricing is the most important tool in the fight against climate change, which represents a very serious threat to the health of the planet and the viability of our civilization. RNAO members are concerned with the immediate and long-term effects of climate change. The worst effects are in vulnerable areas like the Horn of Africa, but drastic climate change is already hitting Canada's far north. Even southern Ontario has experienced dangerous and costly extreme weather events, in addition to the spread of vector-borne diseases such as West Nile virus and Lyme disease. Our members also know that climate mitigation efforts bring huge health co-benefits. For example, Ontario's air quality has improved sharply with the closure of the province's coal plants.

The scientific consensus is very strong. The planet is on an alarming trajectory, with carbon dioxide concentrations well over 400 ppm from a level of 280 ppm at the start of the industrial revolution. When lumped together, the concentration of greenhouse gases has risen over 60 per cent over that time period. There is very little time to shift our ways in a more sustainable direction, however, Ontario is in a position to show strong leadership, as it has done with its coal closures.

Bill 172 is the province's latest step towards carbon pricing. That step will be supported by actions in key sectors, such as improvements in the heating and cooling of buildings, and promotion of transit and active transportation. Safe bike lanes and walkways will bring health benefits both by increasing physical activity and by reducing pollution by reducing automobile use. Revenue from the cap-and-trade program will help fund those actions. It is important that both the cap-and-trade program and the handling of the revenue be done well.

RNAO is on record as preferring a carbon tax on the grounds that it's simpler, cheaper to administer and more immune to manipulation and fraud, which have happened under cap and trade. But, if a cap-and-trade program is sufficiently comprehensive and if it is properly planned and executed, it can still get the job done. Our recommendations seek to point the program in a direction that will mimic the positive features of a carbon tax regime.

First, the bill itself. It does a great service by opening with the words: "Human-induced climate change is real and impacts are being experienced around the globe." The preamble goes on to make the case for strong action to mitigate climate change. It is very helpful for this to appear in legislation. But there is substance following on the strong preamble.

1. We applaud the government for putting Ontario's greenhouse gas reduction targets into the bill, and for empowering cabinet to make those targets more ambitious. Our advice is to move ahead with Bill 172 subject to the following recommendations.

The Cap:

2. Set the maximum number of emission allowances with the goal of meeting or exceeding Ontario's carbon reduction targets, taking into account factors that will impact on Ontario's ability to meet those targets. Ideally the cap is set with sufficient stringency that Ontario's targets can be dealt with via the cap. The more inclusive the coverage under the carbon pricing program, the better the chance it will have of pushing Ontario onto a sustainable path. Our full submission offers specific language to amend subsection 29(2)

Interim Targets:

3. Amend subsection 6(3) to make the setting of interim greenhouse gas targets mandatory. In the absence of targets, it is difficult to make progress.

The 2017 Cap:

4. Make the initial 2017 cap more ambitious by setting it at actual 2015 levels, rather than letting it rise.

Offsets:

RNAO urges great caution in the use of offsets, which present considerable challenges and costs in verification. The further afield the offset, the greater the risk.

5. Limit the use of offsets to no more than the proposed 8 per cent, and strictly enforce proposed requirements that they be "real, additional, verifiable, validated, enforceable and permanent."

Linking:

6. To avoid weakening Ontario's standards or emission prices, only link to cap-and-trade programs in jurisdictions with carbon pricing standards as least as high.

7. To keep Ontario's climate change efforts on track, do not count out-of-province purchases of greenhouse gas emission permits towards Ontario's reduction targets.

Free Allowances:

8. Do not distribute free allowances.

9. If the Ontario government distributes free allowances to industrial emitters in the first compliance period:

a) amend subsection 30(2) to include a clear and reasonable phase-out timeline; and

b) ensure that any free allowances are targeted, transparent, and temporary.

Border Adjustments:

10. To level the playing field for Ontario firms, pursue all options for border carbon adjustments.

Managing Cap-and-Trade Revenues:

11-14. To maximize the effectiveness of the fund and to sustain political support for the carbon reduction effort, the fund must be managed in a very transparent fashion with strong public oversight.

The Partnership with Indigenous Communities:

15-17. Indigenous communities have a strong interest in climate change, as they are disproportionately affected by it and because many of their communities will disproportionately bear the costs of a cap-and-trade program. It is important that they are full partners in this exercise. Bill 172 does acknowledge the importance of traditional ecological knowledge in Section 7(2), but our full submission offers language to strengthen the partnership with Ontario.

Nuclear power:

18. RNAO opposes the refurbishment of existing nuclear power plants and the construction of new nuclear plants, on the grounds of cost, safety and disposal of nuclear waste. Accordingly, we urge the amendment of Paragraph 1(1)1. of Schedule 1 to ensure that no nuclear power projects, including nuclear refurbishments, can be funded by GGRA funds.

We wish to thank the Standing Committee on General Government for taking the time to conduct two days of hearings on this crucial piece of legislation. We also wish to thank the committee for giving us the opportunity to present the views of Ontario nurses on climate change action.