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NEWS RELEASE

Ottawa needs provinces onside at Copenhagen

IRPP study calls for feds and provinces to partner on national carbon tax

Montreal – Canada's current climate change policy is fragmented, largely uncoordinated among governments and unlikely to produce cost-effective reductions in greenhouse gases, according to a groundbreaking new study from the Institute for Research on Public Policy.

The study, "Clearing the Air on Federal and Provincial Climate Change Policy in Canada," by Tracy Snoddon and Randall Wigle, argues that real emissions reductions won't be achieved until Canada undertakes an ambitious national policy built around a federal carbon tax.

A federal carbon tax could be implemented relatively quickly and, if necessary, without agreement from the provinces. However, the federal government's success hinges on convincing the provinces to drastically scale back their own climate change initiatives in favour of a more cost-effective national plan.

"In theory, a single government implementing climate change policy without the need for negotiation or compromise seems appealing," notes Snoddon, an economist at Wilfrid Laurier University. "But, this is not the reality in Canada. From health care to tax policy – it's often not what is most efficient that matters, it's what is possible. And this means the provinces are going to have a big say on climate change policy."

In order to obtain support from provincial governments, formal agreements must be negotiated between Ottawa and the provinces for sharing any revenues generated from the proposed tax.

"While Canada needs a national carbon tax to address climate change in a serious and cost effective way, we won't get it unless we make the provinces full partners," warns Snoddon.

"Clearing the Air on Federal and Provincial Climate Change Policy in Canada," by Tracy Snoddon and Randall Wigle, can be downloaded free of charge on the Institute's Web site, www.irpp.org.

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