



E-PAPER

# Canada

## **Canada's Approach and Coherence on Economic, Climate, and Development Goals**

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# Introduction

March 2017

Two important global agreements were finalized in 2015. The Sustainable Development Goals or SDGs (17 goals with 169 targets) were agreed to at the United Nations General Assembly in New York in September 2015. Less than three months later, the Paris Agreement on climate change was finalized.

In between those two events, a new Canadian government was elected in Ottawa. Statements from Prime Minister Justin Trudeau signaled a new direction for the country. «Canada is back» was not only a line from the Prime Minister's speech in Paris but it became the mantra of the newly formed government. Canadians were told that multilateralism would be embraced again and international engagement and action would be undertaken on a range of issues, including climate change and development.

This paper will investigate that new direction and the Canadian government's international commitments on climate change, economic growth (mostly through the G20), and three SDGs in particular: Gender Equality (SDG #5), No Poverty (SDG #1) and Reduced Inequalities (SDG #10). It will also compare the government's policies and actions on these commitments, and assess the coherence (or incoherence) of those commitments, policies, and actions. The analysis is not intended to be comprehensive, but rather an overview of Canada's approach.

## Climate action (SDG #13)

### Greenhouse gas target

Canada's international commitments on climate change are mostly expressed through its Intended Nationally Determined Contributions (INDC), the climate pledge Canada put forward in advance of the climate negotiations in Paris in November 2015.<sup>[1]</sup> When in opposition, the Liberal Party called the then-Canadian government's 2030 greenhouse gas (GHG) target (30 per cent reductions below 2005 by 2030) inadequate.<sup>[2]</sup> Climate Action Tracker, a coalition of four European think tanks specializing in climate change, also called the pledge «inadequate» compared to Canada's fair share of emission reductions needed to

**1** Government of Canada. (2015). «Canada's INDC Submission to the UNFCCC.» Online at: <http://www4.unfccc.int/submissions/INDC/Published%20Documents/Canada/1/INDC%20-%20Canada%20-%20English.pdf>

**2** Liberal Party of Canada. (2015). «Real Change: A New Plan for Canada's Environment and Economy.» Online at: <https://www.liberal.ca/files/2015/08/A-new-plan-for-Canadas-environment-and-economy.pdf>. p. 4.

limit warming to 2 degrees Celsius above pre-industrial temperatures.<sup>[3]</sup> After it formed government in November 2015, however, the Liberal government decided to adopt the same pledge as Canada's commitment to the Paris Agreement on climate change.

The federal government followed up by working with Canadian provinces to develop the Pan-Canadian Framework on Clean Growth and Climate Change, finalizing it in December 2016.<sup>[4]</sup> According to the Framework, significant reductions in GHG emissions are expected in most sectors due to a commitment to strong energy and greenhouse gas policies: phasing out coal-fired power and achieving net zero energy homes by 2030, developing a zero emission vehicle strategy, and putting a price on carbon across the country.

However, when it comes to climate action, the blind spot in Canada continues to be the oil and gas sector. The Pan-Canadian Framework had a notable policy proposal related to oil and gas, namely a regulated reduction in methane emissions from the sector. The industry however, already Canada's highest emitting sector, is nonetheless the only sector expected to increase total GHG emissions until at least 2030.<sup>[5]</sup> A 100 Mt emissions cap was placed on the tar sands sub-sector, but that cap is 40 per cent above current emissions. This is the main reason why a 44 Mt (CO<sub>2</sub>e) gap exists between Canada's target and emission reductions expected in the climate framework.<sup>[6]</sup>

It remains to be seen how that emissions gap will be filled. The federal government and provinces could develop and implement additional or more stringent policies, such as continuing to increase the carbon price after 2022. (The carbon floor price is scheduled to rise by CAN\$10/tonne per year, from \$10/tonne in 2018 to \$50/tonne in 2022.<sup>[7]</sup>)

## Long-term strategy

One of the commitments of the Paris Agreement is for all countries to develop a long-term strategy to reduce their GHG emissions in line with the goal of limiting warming to well below 2 degrees Celsius. Canada's strategy, released at the climate negotiations in Marra-

**3** Climate Action Tracker. (2015). «Canada.» Online at: <http://climateactiontracker.org/countries/canada.html>

**4** Government of Canada. (2016). «Pan-Canadian Framework on Clean Growth and Climate Change.» Online at: <https://www.canada.ca/en/services/environment/weather/climatechange/pan-canadian-framework.html>.

**5** Calculated from Government of Canada (2016). «Modeling of greenhouse gas projections.» Online at: <https://www.canada.ca/en/services/environment/weather/climatechange/climate-action/modelling-ghg-projections.html>.

**6** Government of Canada. (2016). «Pan-Canadian Framework on Clean Growth and Climate Change.» Online at: <https://www.canada.ca/en/services/environment/weather/climatechange/pan-canadian-framework.html>. p. 44.

**7** Ibid. Annex 1.

kech in November 2016, was made up of four scenarios that would reduce emissions by 80 per cent below 2005 emissions by 2050 (75 per cent below 1990 levels).<sup>[8]</sup>

The 2050 targets used by the Canadian government fall short of the country's fair share to limit warming to well below 2 degrees, and striving for 1.5. The Intergovernmental Panel on Climate Change (IPCC) found that a 2 degree limit means that developed countries should reduce emissions by 80 to 95 per cent below 1990 levels.<sup>[9]</sup> To limit warming to well below 2 degrees would mean emission reductions at the upper end of that range. Given that Canada's historical and per capita emissions are amongst the highest in the world, a fair share approach would mean the country doing more, not less, to reduce emissions by mid-century.

Much like the 2030 time frame, the challenge for mid-century is not only that Canada has chosen an emission reduction target that lacks ambition, but also that it will be difficult to achieve it if the oil and gas sector is allowed to expand significantly. Successive Canadian governments have approved oil and gas infrastructure such as tar sands projects, oil pipelines, and liquefied natural gas terminals, and all are expected to still be around in 2050. Unless there is some breakthrough technology that does not yet exist, those investments in high-carbon infrastructure will drive high GHG emissions at least until mid-century. The alternative is strong climate policies to reduce emissions from oil and gas production, but those policies risk stranding high-cost assets in the sector. It remains to be seen whether future Canadian governments will be willing to implement such policies.

## International climate financing

Like most industrialized countries, Canada did not include as part of its INDC a commitment to international climate financing—financial assistance to help developing countries address the impacts of climate change and undertake low-carbon development. On the eve of the Paris negotiations, the newly elected Canadian government put forward its commitment: CAN\$2.65 billion over 5 years, rising from CAN\$300 million in 2016/17 to \$800 million in 2020/2021.<sup>[10]</sup>

In Paris, industrialized countries adopted the Copenhagen commitment on climate financing—collectively mobilizing US\$100 billion in 2020—and extended it on an annual basis until 2025. Canada's fair share of the US\$100 billion/year has been estimated as 3-4 per

**8** Government of Canada (2016). «Canada's Mid-Century Long-Term Low-Greenhouse Gas Development Strategy. Online at: [http://unfccc.int/files/focus/long-term\\_strategies/application/pdf/canadas\\_mid-century\\_long-term\\_strategy.pdf](http://unfccc.int/files/focus/long-term_strategies/application/pdf/canadas_mid-century_long-term_strategy.pdf)

**9** Intergovernmental Panel on Climate Change. (2007). Fourth Assessment Report. Working Group III. Chapter 13. Box 13.7.

**10** Government of Canada. (2015). «International Climate Financing.» Online at: <http://www.climatechange.gc.ca/finance/>

cent of the total, or a minimum of CAN\$4 billion/year.<sup>[11]</sup> That total was acknowledged by the then-Minister of Foreign Affairs, Stéphane Dion, when announcing the contribution.<sup>[12]</sup> However, Canada's CAN\$800 million commitment for 2020 falls far short of the CAN\$4 billion required, even if the leveraging of private funds is taken into account.<sup>[13]</sup>

## Fossil fuel subsidies

Canada (under Prime Minister Stephen Harper) and other G20 countries first committed to phasing out «inefficient fossil fuel subsidies» in 2009.<sup>[14]</sup> However, Canada's approach to eliminating these subsidies has been tepid. A timeline was never set by the Harper government. The Liberal government has set a 2025 deadline, a time frame that would require the government to win three majorities to fully implement.

## Economic growth

The Liberal government is mostly sticking to commitments to economic growth made by the previous Conservative government at the G20 (e.g. the 2014 Brisbane Growth Strategy, the 2015 Antalya Adjusted Growth Strategy).<sup>[15]</sup> The government also continues to favour free trade agreements, for example by finalizing and signing the Canada-EU Comprehensive Economic and Trade Agreement (CETA).<sup>[16]</sup>

However, the Liberal government's approach to growth is fundamentally different, using a stimulative approach of investing in infrastructure and innovation rather than austerity. As such, the federal government repealed the *Federal Balanced Budget Act*, passed by

- 11** Demerse, Clare. (2009). «Our Fair Share: Canada's Role in Supporting Global Climate Solutions.» Pembina Institute. Online at: <http://www.pembina.org/reports/our-fair-share-report.pdf>.
- 12** Clark, C. (2015). «Canada commits \$2.65-billion to climate-change funding.» The Globe and Mail. Online at: <http://www.theglobeandmail.com/news/politics/canada-commits-265-billion-to-climate-change-funding/article27507453/>
- 13** The average in one OECD study found that public financing could leverage a further 38 per cent in private sector investment. See OECD and Climate Policy Initiative. (2015). «Climate Finance in 2013-14 and the USD 100 billion goal.» <http://www.oecd.org/env/climate-finance-in-2013-14-and-the-usd-100-billion-goal-9789264249424-en.htm>.
- 14** G20. (2009). «Leaders' Statement: The Pittsburgh Summit, September 24 – 25, 2009.» Online at: [https://www.treasury.gov/resource-center/international/g7-g20/Documents/pittsburgh\\_summit\\_leaders\\_statement\\_250909.pdf](https://www.treasury.gov/resource-center/international/g7-g20/Documents/pittsburgh_summit_leaders_statement_250909.pdf)
- 15** Government of Canada. (2016). «G20 2016 China: Growth Strategy – Canada.» Online at: [http://international.gc.ca/world-monde/international\\_relations-relations\\_internationales/g20/2016-Growth\\_Strategy-Strategie\\_Croissance.aspx?lang=eng](http://international.gc.ca/world-monde/international_relations-relations_internationales/g20/2016-Growth_Strategy-Strategie_Croissance.aspx?lang=eng). p. 3.
- 16** Ibid.

the previous government in 2015.<sup>[17]</sup> Instead, the government's growth strategy involves spending CAN\$50.2 billion over the next six years, or 2.5% of GDP, on infrastructure and innovation,<sup>[18]</sup> and a promise to run deficits on the order of CAN\$10 billion/year for three years.<sup>[19]</sup>

While the previous government did commit to invest in infrastructure,<sup>[20]</sup> planned investments by the current government are more substantial. The first phase of government investment in infrastructure will include a 5-year plan to invest in public transit (CAN\$3.4 billion), green infrastructure projects such as water and waste water (CAN\$5 billion), and social infrastructure (CAN\$3.4 billion), including affordable housing, child care, and community health care facilities on Indigenous reserves.<sup>[21]</sup> An additional CAN\$20 billion will be invested in an Infrastructure Bank to partner with the private sector and make investments in large, revenue-generating infrastructure projects.<sup>[22]</sup>

Spending on innovation includes programs to increase Canadian citizens' access to broadband internet services. As outlined above, it also includes programs that may help reduce GHG emissions, such as through Mission Innovation (doubling investments in clean energy, to CAN\$775 million in 2020)<sup>[23]</sup> and in the Low Carbon Economic Fund (CAN\$2 billion over two years for climate projects led by provincial governments).<sup>[24]</sup>

## Sustainable Development Goals

Canada's international assistance and how that assistance will allow Canada to contribute to the attainment of the SDGs is, as of March 2017, undergoing review. In 2016 the gover-

**17** Ibid.

**18** Ibid.

**19** CBC News. (2015). «Justin Trudeau says Liberals plan 3 years of deficits to push infrastructure.» (August 27). Online at: <http://www.cbc.ca/news/politics/canada-election-2015-liberals-infrastructure-deficits-1.3205535>.

**20** OECD. (2015). «G20/OECD Draft Report on Investment Strategies. Online at: <https://www.oecd.org/g20/topics/financing-for-investment/G20-OECD-Draft-Report-on-Investment-Strategies.pdf>. p. 78.

**21** Government of Canada. (2016). «G20 2016 China: Growth Strategy – Canada.» Online at: [http://international.gc.ca/world-monde/international\\_relations-relations\\_internationales/g20/2016-Growth\\_Strategy-Strategie\\_Croissance.aspx?lang=eng](http://international.gc.ca/world-monde/international_relations-relations_internationales/g20/2016-Growth_Strategy-Strategie_Croissance.aspx?lang=eng). p. 7.

**22** Government of Canada. (2016). «Budget 2016, Chapter 2—Investing in the New Economy.» Online at: <http://www.budget.gc.ca/fes-eea/2016/docs/statement-enonce/chap02-en.html>.

**23** Mission Innovation. (2016). «Canada.» Online at: <http://mission-innovation.net/participating-countries/canada/>

**24** Government of Canada. (2016). «Budget 2016, Chapter 4—A Clean Growth Economy.» Online at: <http://www.budget.gc.ca/2016/docs/plan/ch4-en.html>

ment held broad consultations with civil society organizations and individuals in Canada and abroad, and welcomed online contributions.

Despite the review not being completed yet, certain priorities are clearly articulated in the discussion paper that the government unveiled to kick off the consultations.<sup>[25]</sup> Protecting the rights of women and girls (and promoting maternal and child health), reducing poverty, fostering inclusive growth, and addressing climate change were the dominant priorities laid out in the paper by International Development Minister Marie-Claude Bibeau.<sup>[26]</sup> Policies and actions related to relevant SDGs (gender equality, no poverty, and reduced inequalities) are discussed below.

## Gender Equality (SDG #5)

Prime Minister Trudeau has consistently communicated the importance of women's empowerment and gender equality before and since the election of his government. He frequently refers to himself as a feminist, a term eschewed by other Canadian political leaders. Prime Minister Trudeau fulfilled a symbolically important campaign promise when he named his Cabinet with an equal representation of women and men.<sup>[27]</sup>

Yet, beyond the rhetorical and symbolic, little has happened in domestic policy development to address gender inequality. One campaign promise made by the Liberals is that departments undertake gender-based impact analyses in their programs, and that Cabinet takes that analysis into account when making decisions.<sup>[28]</sup> (Canada's Auditor General, in an analysis completed just before the election of the Trudeau government, found that gender-based impact analyses, though mandated since 1995, had been undertaken inconsistently, incompletely, and imperfectly.<sup>[29]</sup>) That campaign promise has not been acted upon yet,<sup>[30]</sup> though measures in the March 2017 budget underwent a gender-based analysis.<sup>[31]</sup>

**25** Global Affairs Canada. (2016). «International Assistance Review: Discussion Paper.» Online at: <http://www.international.gc.ca/world-monde/assets/pdfs/iar-consultations-eai-eng.pdf>

**26** Ibid.

**27** Ditchburn, J. (2015). ««Because it's 2015»: Trudeau forms Canada's 1st gender-balanced cabinet.» CBC, with files from Canadian Press. Online at: <http://www.cbc.ca/news/politics/canada-trudeau-liberal-government-cabinet-1.3304590>.

**28** Liberal Part of Canada (2015). «Gender Impacts.» Online at: <https://www.liberal.ca/realchange/gender-impacts/>

**29** Office of the Auditor General of Canada (2015). «2015 Fall Reports of the Auditor General of Canada - Report 1: Implementing Gender-Based Analysis.» Online at [http://www.oag-bvg.gc.ca/internet/English/parl\\_oag\\_201602\\_01\\_e\\_41058.html](http://www.oag-bvg.gc.ca/internet/English/parl_oag_201602_01_e_41058.html)

**30** Trudeau Meter. (2017). «Women and Youth.» Online at: <https://www.trudeaumetre.ca/>

**31** McGregor, J. (2017). «Add women, change budgets? Underused gender policy tool finds new fans in Trudeau's cabinet.» CBC. Online at: <http://www.cbc.ca/news/politics/budget-gender-analysis-1.4019651>.



The federal government is also developing a strategy to combat gender-based violence.<sup>[32]</sup> The results of consultations undertaken in 2016 were published in February 2017, and are intended to inform the development and implementation of the strategy going forward.<sup>[33]</sup>

In terms of international policies and actions, currently one of the three cross-cutting themes of Canada's international assistance is promoting gender equality (the other two being increasing environmental sustainability and helping to strengthen democratic governance).<sup>[34]</sup> An important element, dating back to 2010, was prioritizing maternal, newborn, and child health. That year Canada hosted the G8 and spearheaded the Muskoka Initiative, whose goal was to increase funding for maternal, newborn, and child health from all G8 countries.<sup>[35]</sup> Prime Minister Harper championed the Initiative in 2010 and extended it for another five years in 2015. In March 2017, Prime Minister Trudeau doubled Canada's investment, to CAN\$650 million, in women and girls' health over the next three years.<sup>[36]</sup> The difference with the Liberal government is the focus on reproductive health and rights, including access to safe abortions, something the Harper government specifically refused to do.

As part of the international assistance review process, the Canadian Council for International Cooperation, the umbrella group for development NGOs, advised the Canadian government to put gender equality at the heart of global development cooperation by making gender equality both a «standalone and cross-cutting priority.»<sup>[37]</sup> Based on that and other input, Canada's Minister for International Development has committed to «keeping the rights and empowerment of women and girls at the very heart of all of our international development efforts.»<sup>[38]</sup> However, it remains to be seen how exactly the assistance review will inform Canada's future development policies.

**32** Government of Canada. (2016). «Setting the Stage for a Federal Strategy Against Gender-Based Violence.» Online at: <http://www.swc-cfc.gc.ca/violence/strategy-strategie/strategie-en.pdf>

**33** Status of Women Canada. (2017). «Breaking the Silence: Final Report of the Engagement Process for the Federal Strategy to Address Gender-based Violence.» Online at: <http://www.swc-cfc.gc.ca/violence/strategy-strategie/breaking-briser-en.html#about>

**34** Global Affairs Canada. (2016). «Development Priorities.» Online at: <http://www.international.gc.ca/development-developpement/priorities-priorites/sseg-fced.aspx?lang=eng>

**35** Government of Canada. (2016). «Canada's leadership in maternal, newborn and child health—the Muskoka Initiative (2010–2015)» Online at: [http://www.international.gc.ca/world-monde/development-developpement/health\\_women-sante\\_femmes/canada\\_leadership\\_2010-2015.aspx?lang=eng](http://www.international.gc.ca/world-monde/development-developpement/health_women-sante_femmes/canada_leadership_2010-2015.aspx?lang=eng)

**36** Harris, K. (2017). «Justin Trudeau marks International Women's Day with \$650M for reproductive rights.» CBC. Online at: <http://www.cbc.ca/news/politics/trudeau-women-reproductive-rights-1.4014841>

**37** CCIC. (2016). «Cooperative Leadership: Canada's Contribution to a Fairer, More Sustainable, and Safer World.» p. 13.

**38** Government of Canada. (2016). «Statement from Minister Bibeau on the International Day of the Girl.» Online at: <http://news.gc.ca/web/article-en.do?nid=1134669>.

## No Poverty (SDG #1) and Reduced Inequalities (SDG #10)

There is a lot of overlap between policies to reduce or eliminate poverty and those to address inequality, so these will be addressed together, while also highlighting ways Canada is addressing inequality at upper income levels. The federal government has acknowledged that poverty is an issue not just in the developing world but in Canada too. Over three million Canadians live in poverty—almost 10 per cent of the Canadian population—and the government is developing an anti-poverty strategy.<sup>[39]</sup> The government is undertaking broad consultations to inform that strategy.<sup>[40]</sup> It is perhaps instructive that Canada's stated goal, even domestically, is to reduce poverty rather than eliminate poverty, as articulated in the SDG.

The government has made recent changes to social programs and funding that will benefit those on low and fixed income as well as middle-class Canadians. For example, the government reformed the child benefit system (now called the Canada Child Benefit) so that it was tax-free and more generous for low-income Canadians.<sup>[41]</sup> The government increased the Guaranteed Income Supplement by up to CAN\$947 annually and made the Canada Pension Plan more generous, helping the poorest seniors in Canada.<sup>[42]</sup> Government funding has also been committed for Indigenous populations, including for education (CAN\$2.6 billion over five years), family and social services (over CAN\$600 million over five years), and social and green infrastructure such as housing, community health, and water treatment (CAN\$3.5 billion over five years).<sup>[43]</sup> First Nations, Inuit and Métis are historically and currently amongst the poorest Canadians.

Canada's economic growth strategy, if realized, will also help with inequality. The stated goals of Canada's growth strategy, discussed above, are to strengthen the middle class and promote «inclusive growth,» through targeted investments and «increased labour market participation by under-represented groups.»<sup>[44]</sup>

**39** Government of Canada. (2016). «Towards a Poverty Reduction Strategy: Discussion Paper.» Online at <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/discussion-paper.html>

**40** Government of Canada. (2016). «Consulting Canadians on poverty reduction.» Online at: <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/consultation.html>

**41** Government of Canada. (2016). «Towards a Poverty Reduction Strategy: Discussion Paper.» Online at <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/discussion-paper.html>. p. 25.

**42** Ibid.

**43** Ibid. pp. 26-28.

**44** Government of Canada. (2016). «G20 2016 China: Growth Strategy – Canada.» Online at: [http://international.gc.ca/world-monde/international\\_relations-relations\\_internationales/g20/2016-Growth\\_Strategy-Strategie\\_Croissance.aspx?lang=eng](http://international.gc.ca/world-monde/international_relations-relations_internationales/g20/2016-Growth_Strategy-Strategie_Croissance.aspx?lang=eng). p. 2.

There have also been new policies introduced to make Canada's income tax system more progressive. The previous government had a policy to increase the maximum that could be contributed to tax-free savings account (TFSA)—a policy that overwhelmingly favoured high-income earners. The Liberal government announced soon after its election that the TFSA limits would be rolled back.<sup>[45]</sup> The government also reduced the federal income tax rate for middle-income earners (on those earning income between CAN\$45,000 and CAN\$90,000) and introduced a higher income tax rate for those earning more than CAN\$200,000.<sup>[46]</sup>

Poverty reduction also figures prominently in Canada's international assistance. In assessing the effectiveness of its aid, the overarching measure used is progress made in reducing poverty.<sup>[47]</sup> Three of the five priority areas relate directly to addressing poverty: increasing food security, stimulating sustainable economic growth (with a focus on «inclusive growth»), and promoting stability and security.

Most directly, increasing food security may be growing in importance for the Canadian government. Though support for agricultural initiatives has dropped since 2010,<sup>[48]</sup> recent presentations from Global Affairs Canada suggest that promoting sustainable agriculture will be used to tie together the Canadian government's priorities.<sup>[49]</sup> Global Affairs wants to use climate-smart agriculture as a vehicle to improve food security, boost community resilience, undertake climate change adaptation and mitigation, and foster innovation, all of which will contribute to the goal of reducing poverty.<sup>[50]</sup> Canada is currently the co-chair of the Global Alliance for Climate Smart Agriculture.

The Canadian government's reformed approach to refugees and internally displaced people also addresses one of the root causes of poverty and vulnerability. The government is undertaking multi-year funding agreements so that its humanitarian response to emergency situations can be quicker and more flexible.<sup>[51]</sup> It also reformed the previous government's

**45** O'Hara, C. (2015) «Liberals detail how they will roll back TFSA contribution limits.» *The Globe and Mail*. Online at: <http://www.theglobeandmail.com/globe-investor/personal-finance/household-finance/liberals-confirm-rollback-of-tfsa-limit-in-2016/article27638448/>

**46** Government of Canada. (2016). «Towards a Poverty Reduction Strategy: Discussion Paper.» Online at <https://www.canada.ca/en/employment-social-development/programs/poverty-reduction/discussion-paper.html>. pp. 27-28.

**47** Global Affairs Canada. (2016). «Development Priorities.» Online at: <http://www.international.gc.ca/development-developpement/priorities-priorites/aidagenda-planaide.aspx?lang=eng>

**48** Aid4Agriculture. (date unknown). «Agriculture for Clean & Inclusive Economic Growth.» Online at: <http://aid4ag.ca/wp-content/uploads/Agriculture-for-Clean-and-Inclusive-Economic-Growth-EN-FINAL.pdf>. p. 22.

**49** Personal communications. Presentation from Caroline Leclerc, Director General, Food Security and Environment, Global Affairs Canada. Feb. 8, 2016.

**50** Ibid.

**51** Global Affairs Canada. (2016). «International Assistance Review: Discussion Paper.» Online at: <http://www.international.gc.ca/world-monde/assets/pdfs/iar-consultations-eai-eng.pdf>

refugee policy by committing to resettle 25,000 Syrian refugees in Canada in the first four months after its election. The total has now reached over 40,000.<sup>[52]</sup>

However, Canada's actions on international assistance are still found lacking. Canadian governments over many decades have expressed support for the international benchmark of spending 0.7 per cent of the country's Gross National Income (GNI) on international assistance. Yet Canada's Official Development Assistance (ODA) has never been close to reaching that mark and severe cuts by the Liberal government in the 1990s and the Conservative government in the 2010s have brought ODA down to 0.28 per cent of GNI.<sup>[53]</sup>

Canadians want the country to reach the benchmark,<sup>[54]</sup> and many expected the Trudeau government – with all its talk of re-engagement – to do better. In its first budget, however, the federal government's allocation dropped even further, to 0.26 per cent of GNI, the lowest ODA percentage in generations and one of the lowest amongst G7 countries or other peer countries.<sup>[55]</sup> It remains to be seen if the new International Assistance Policy will change the Canadian government's direction on ODA funding levels.

## Weak and Incoherent

There are obvious links in the Canadian government's stated approach to economic growth, climate change, and Sustainable Development Goals, such as gender equality and reduced poverty and inequality. Government representatives have said, for example, that less poverty also means greater gender equality, that inequality can hinder economic growth, and that climate change impacts, if not addressed, can undermine development goals such as addressing poverty and gender inequality.

Many advocates of a larger Canadian role in climate action and development issues have welcomed the shift in tone, and the modest moves made so far by the Liberal government. However, a more significant shift in policy and action is still awaited to demonstrate that Canada is truly back.

**52** Government of Canada. (2017). «#WelcomeRefugees: Key figures.» Online at: <http://www.cic.gc.ca/english/refugees/welcome/milestones.asp>.

**53** Greenhill, R. and C. Wadhera. (2017). «On paying its global share, Canada's not back—it's far back.» Online at: <https://www.opencanada.org/features/paying-its-global-share-canadas-not-backits-far-back/>

**54** Government of Canada. (2016). «What We Heard: 2016 International Assistance Review.» <http://international.gc.ca/world-monde/development-developpement/iar-consultations-eai/report-rapport.aspx?lang=eng>

**55** Greenhill, R. and C. Wadhera. (2017). «On paying its global share, Canada's not back—it's far back.» Online at: <https://www.opencanada.org/features/paying-its-global-share-canadas-not-backits-far-back/>

The goals, policies, and actions of the government can best be characterized as: 1) weaker than international commitments or the contribution of major allies, and 2) containing significant contradictions. The weak approaches have been discussed above: GHG reduction targets for 2030 and 2050 are not in line with temperature limits laid out in the Paris climate agreement; international climate financing remains less than Canada's fair share; fossil fuel subsidies will be phased out over an excessively long period of time; and Canada's contributions to ODA are embarrassingly low and dropping.

Barely a year and a half into the Canadian government's mandate, it may be too early to consider these as *fait accompli*. However, the government will have to get more ambitious on a number of fronts to approach its fair share in these international efforts.

Just as important is the fundamental incoherence in some of the government's national actions. Federal policies on climate change and energy policy development are one example. The federal government has approved two major tar sands pipelines and one liquefied natural gas (LNG) terminal. It has been reported that the federal Cabinet sees the building of more oil pipelines to expand the development and export of Canada's tar sands as a key component of the government's economic growth strategy.<sup>[56]</sup> The Prime Minister regularly touts Canada as a trusted supplier of oil to the U.S.<sup>[57]</sup> Analysis shows, however, that expanding the oil and gas sector through more pipelines and LNG terminals will make it virtually impossible for Canada to meet its already weak 2030 GHG reduction targets.<sup>[58]</sup>

The government makes irreconcilable statements on energy development and climate change. For example, the Prime Minister has said that expanding fossil fuel development would «fund the transition to a low-carbon economy,»<sup>[59]</sup> suggesting that more high-carbon energy development leads to a lower carbon future. Liberal Party documents<sup>[60]</sup> and

**56** Ivison, J. (2016). «Trudeau convinced that pipeline strategy must be top priority.» (April 12). *National Post*. Online at: <http://news.nationalpost.com/full-comment/john-ivison-trudeau-convinced-that-pipeline-strategy-must-be-top-priority>

**57** See for example Smith, J. (2017). «PM Trudeau tells Houston energy conference U.S. needs Canada's natural resources.» CTV, with files from *Canadian Press*. Online at: <http://www.ctvnews.ca/politics/pm-trudeau-tells-houston-energy-conference-u-s-needs-canada-s-natural-resources-1.3317918>

**58** Hughes, J.D. (2016). «Can Canada Expand Oil and Gas Production, Build Pipelines and Keep Its Climate Change Commitments?» Parkland Institute. Online at: <https://d3n8a8pro7vhmx.cloudfront.net/parklandinstitute/pages/361/attachments/original/1464803560/canadaexpand.pdf?1464803560>

**59** McSheffrey, E. (2016). «Trudeau says pipelines will pay for Canada's transition to a green economy.» *National Observer*. Online at: <http://www.nationalobserver.com/2016/03/02/news/trudeau-says-pipelines-will-pay-canadas-transition-green-economy>

**60** Liberal Party of Canada. (2015). «Real Change: A New Plan for Canada's Environment and Economy.» Online at: <https://www.liberal.ca/files/2015/08/A-new-plan-for-Canadas-environment-and-economy.pdf>. p. 8.

the Prime Minister<sup>[61]</sup> have even suggested that environmental initiatives like a strengthened environmental assessment process and the development of a climate framework were part of a strategy to get tar sands pipelines built and to get that oil to market.

There is also some incoherence in Canada's approach to climate financing and its goals with respect to international development assistance. As explained, Canada's climate financing pledges remain well below its fair share of the total financing commitments in the Paris Agreement. Furthermore, calculations by the Canadian Coalition on Climate Change and Development have shown that Canada's investments have been dominated by climate mitigation so far (the reduction of GHG emissions) rather than on adaptation to climate change.

The Paris Agreement stipulates that there be a «balance» between mitigation and adaptation. Developing countries, especially least developed countries, have a much greater need for adaptation and climate resilience than for mitigation. After all, emissions from these countries are already quite low, and their adaptation needs are greater than total financing commitments.<sup>[62]</sup>

There are other elements of Canada's climate financing that are problematic, and at odds with its goals. It is not clear that climate financing has been new and additional to existing ODA; raiding development funding for climate financing puts developing countries no further ahead. Moreover, Canada is using loans rather than grants for a portion of the CAN\$2.65 billion pledge,<sup>[63]</sup> which belies the rationale for that climate financing, and undermines its usefulness.

Finally, when Canada puts forward weak commitments on both GHG reduction and climate financing, it undermines its international development goals. That includes the Canadian government's overarching goal of addressing poverty. Climate change has well documented impacts on food security (due to impacts on agriculture and other livelihoods), gender equality and the security of children (since women and children are disproportionately affected by climate change), and stability and security (given that climate impacts can erode economic and political security and lead to refugee crises and/or internally displaced people). Instead, Canada needs to develop a robust approach and ambitious actions to address the impacts of climate change on the developing world, and more significantly reduce the country's GHG that contribute to the problem.

**61** Smith, J. (2017). «PM Trudeau tells Houston energy conference U.S. needs Canada's natural resources.» CTV, with files from *Canadian Press*. Online at: <http://www.ctvnews.ca/politics/pm-trudeau-tells-houston-energy-conference-u-s-needs-canada-s-natural-resources-1.3317918>.

**62** Oxfam. (2015). «Game-changers in the Paris climate deal: What is needed to ensure a new agreement helps those on the front lines of climate change.» Online at: <http://policy-practice.oxfam.org.uk/publications/game-changers-in-the-paris-climate-deal-what-is-needed-to-ensure-a-new-agreemen-582554>

**63** Teasdale, P.J., Global Affairs Canada (2017). Presentation at World University Service of Canada conference. Montreal, Canada. (January 20).

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