

## October 2018 announcement of Canada's backstop national climate policy

*"Our approach on carbon pricing all monies collected on that carbon price...will remain in that province or territory and will go towards...those who are more vulnerable and less able to find alternatives."*

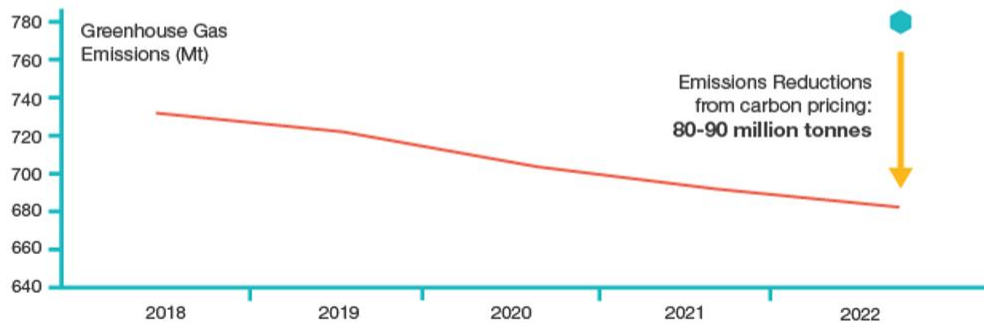
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Canadian Prime Minister Justin Trudeau



# GHG Emissions Reductions

## PROJECTED GREENHOUSE GAS EMISSIONS IN CANADA WITH AND WITHOUT CARBON PRICING



Carbon Pricing Scenario

No carbon pricing in Canada

## ESTIMATED RESULTS OF CANADA'S CARBON POLLUTION PRICING SYSTEM

April 30, 2018

PRICING POLLUTION IN PERSPECTIVE

**CLEAN FUEL  
STANDARD**  
30 MT  
(2030)

**COAL  
PHASE-OUT**  
16 MT  
(2030)

**METHANE  
REGULATIONS**  
21 MT  
(2025)

**CARBON PRICING**  
80-90 MT  
(2022)

# The Federal Backstop Program for Carbon Pricing in the Greenhouse Gas Pollution Pricing Act

For provinces and territories without their own carbon pricing policy

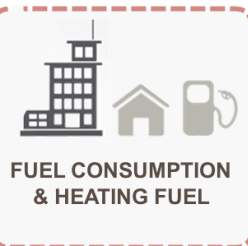
## Overview of the federal backstop

### FUEL PRODUCTION AND DISTRIBUTION



- Pay fuel charge to GoC
- Rates Apr 1/20 - Mar 31/21  
(= \$ 30/t CO<sub>2</sub>e)
  - Gasoline: 6.63 ¢/L
  - Light fuel oil: 8.05 ¢/L
  - Natural gas: 5.87 ¢/m<sup>3</sup>
  - Propane: 4.64 ¢/L
- Some exclusions

FUEL  
DELIVERY



### FUEL CONSUMPTION & HEATING FUEL

- Consumers do not pay the fuel charge directly to the federal government

- Fuel price paid by consumers may have costs of the fuel charge embedded



### OBPS FACILITY

- Registered OBPS facilities would generally not pay the charge on fuels that they purchase

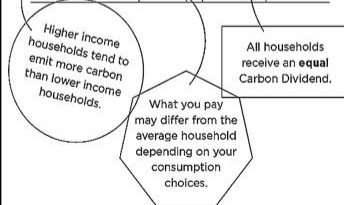
- Instead, would be subject to the carbon price on the portion of emissions above a facility emissions limit

# 80% of Canadians come out ahead

A study commissioned by **Canadians for Clean Prosperity** shows that the vast majority of households, regardless of income level, would receive more money in the form of carbon dividend cheques than they would pay in carbon taxes, should the federal government introduce carbon dividends in those provinces in which it brings in its carbon tax “backstop” starting in 2019.

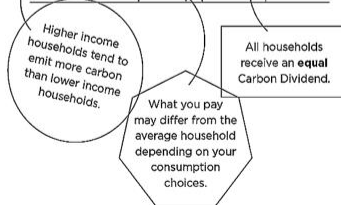
## Alberta 2020

Household income	What you pay/yr Average household	What you get/yr Average household	What you save/yr Average household
\$20K or less	\$310	\$1,268	<b>+ \$958</b>
\$20K - \$40K	\$379	\$1,268	<b>+ \$889</b>
\$40K - \$60K	\$435	\$1,268	<b>+ \$833</b>
\$60K - \$80K	\$451	\$1,268	<b>+ \$817</b>
\$80K - \$100K	\$495	\$1,268	<b>+ \$773</b>
\$100K - \$150K	\$542	\$1,268	<b>+ \$726</b>
\$150K or more	\$602	\$1,268	<b>+ \$666</b>



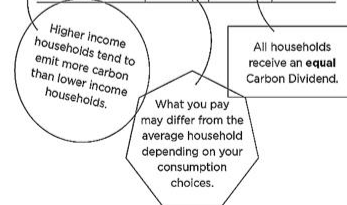
## Saskatchewan 2020

Household income	What you pay/yr Average household	What you get/yr Average household	What you save/yr Average household
\$20K or less	\$351	\$1,567	<b>+ \$1216</b>
\$20K - \$40K	\$356	\$1,567	<b>+ \$1211</b>
\$40K - \$60K	\$422	\$1,567	<b>+ \$1145</b>
\$60K - \$80K	\$468	\$1,567	<b>+ \$1099</b>
\$80K - \$100K	\$514	\$1,567	<b>+ \$1053</b>
\$100K - \$150K	\$561	\$1,567	<b>+ \$1006</b>
\$150K or more	\$648	\$1,567	<b>+ \$919</b>



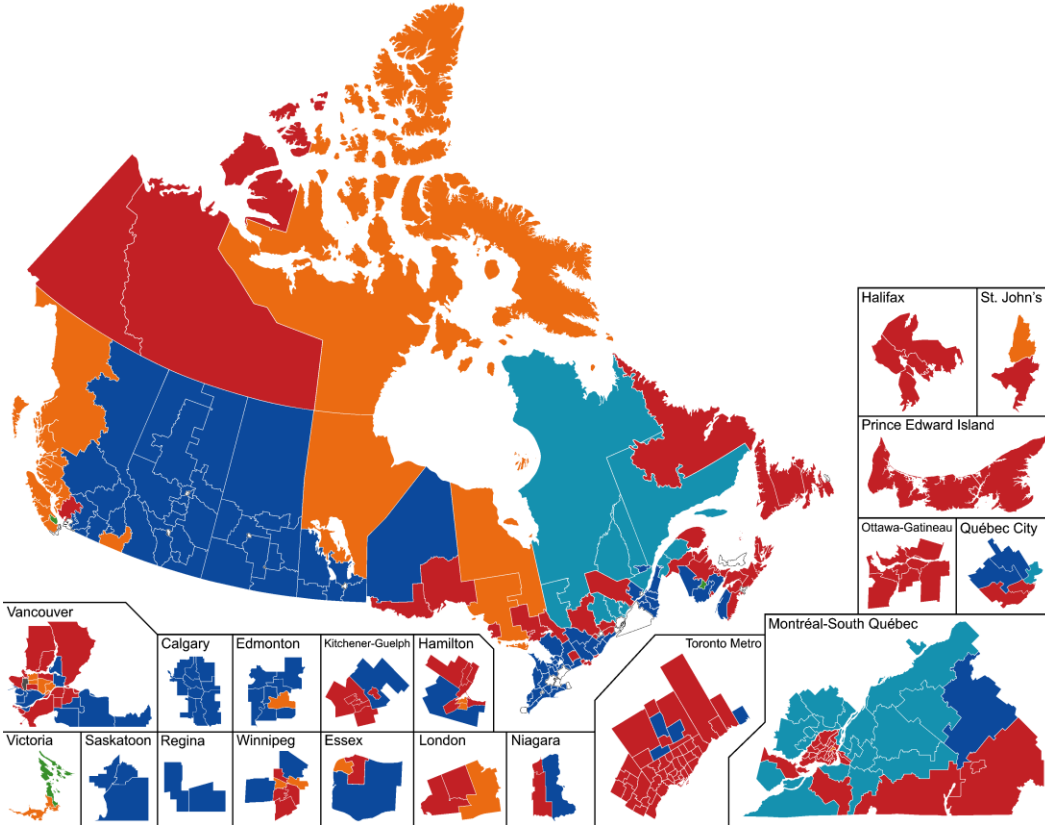
## Ontario 2020

Household income	What you pay/yr Average household	What you get/yr Average household	What you save/yr Average household
\$20K or less	\$222	\$517	<b>+ \$295</b>
\$20K - \$40K	\$258	\$517	<b>+ \$259</b>
\$40K - \$60K	\$317	\$517	<b>+ \$200</b>
\$60K - \$80K	\$340	\$517	<b>+ \$177</b>
\$80K - \$100K	\$391	\$517	<b>+ \$127</b>
\$100K - \$150K	\$446	\$517	<b>+ \$71</b>
\$150K or more	\$501	\$517	<b>+ \$16</b>



<https://www.carbon-dividends.ca/>

# How the vote played out in Election 2019 in Canada



Popular vote, 65.6% of Canadians voted for parties that support carbon pricing.

Of 338 seats, 67% of them (227 seats) were secured by pro carbon pricing politicians..

Liberals 157, Bloc Québécois, 32; New Democrats 24; Greens 3; Independent 1; Conservatives 121

All but one of the parliamentary seats in our oil and gas country, Saskatchewan, and Alberta, were won by the Conservative Party.