



MYTH

Taxing Pollution Will Wreck Canada's Economy

REALITY

Economic studies show carbon pricing will spur innovation, investment and jobs in Canada

FIVE FACTS TO CONSIDER ABOUT CARBON PRICING ON THE ELECTION TRAIL

FACT 1: Economic studies show a carbon price can spur innovation, investment and jobs in Canada.¹ Huge economic opportunities are being created in the low-carbon, clean energy industries as more countries and jurisdictions with large economies move forward with laws and policies to reduce global climate change.

FACT 2: Many countries, including Germany, Sweden and Norway, have implemented a tax on emissions while maintaining strong economies. A carbon tax is one of the most powerful incentives and tools that governments have to encourage companies and households to pollute less and invest in cleaner technologies and practices.

FACT 3: Pricing greenhouse gas emissions through a carbon tax or a cap-and-trade system is supported by the world's leading climate change policy experts and endorsed by several international working groups including the United Nation's Nobel Prize-winning Intergovernmental Panel on Climate Change.

FACT 4: The cost of inaction on climate change is staggering. According to British economist Nicholas Stern,² the author of a comprehensive report on the economics of climate change, the effects of famine, rising sea levels, storms and other environmental damage will cost the global economy trillions of dollars. Stern found that the overall cost of climate change could be between 5 to 20 percent of the world's gross domestic product if governments fail to act now.

FACT 5: If we act now, Canada will be able to compete in the growing global market for clean, renewable energy and transportation technologies. But delaying the implementation of a carbon pricing policy risks reducing Canada's competitiveness in the economy of the future, not to mention the risk of high costs from climate change itself, adaptation to climate change, and higher emissions.

Climate Action Network is a coalition of Canada's leading environmental groups.

Climate change matters. Addressing climate change in this election is vital for our economy, our health and our future.

¹ Mark Jaccard & Associates (2007) Cost Curves for Greenhouse Gas Emission Reduction in Canada: The Kyoto Period and Beyond. United Nations (2007) Intergovernmental Panel on Climate Change, Fourth Assessment Report, Working Group III. UK HM Treasury (2006) The Stern Review on the Economics of Climate Change

² UK HM Treasury (2006) The Stern Review on the Economics of Climate Change (2006)