

***E = ENERGY***

**Recalculating the energy of our home and native land**



**Green Party of Canada**

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# 1. EXECUTIVE SUMMARY

The emissions from burning fossil fuels continue to pollute the air, water and soil - leading to soaring rates of respiratory illness and species depletion - while contributing to global climate change. The government's current energy development path is leading us down a blind path, as Canada has become the most energy inefficient economy in the world according to the David Suzuki Foundation.

The world consumes about two barrels of oil for every new barrel it finds, therefore we not only need to find new sources of renewable energy to respect our Kyoto engagements, we also need to significantly reduce our energy consumption to avoid economic hardships. With decisive actions and meaningful legislation to back them up, we can stop pretending to end oil dependency and actually do it. The Green Party has the political will to achieve environmental and economic results.

Canada's vast renewable resources of water, wind, biomass and solar power give us a competitive edge that we should be developing to their maximum potential. We owe it to our children to make the shift from fossil fuels to renewable energy sources today.

## *Green Party MPs will work to:*

- Coordinate with the provinces a \$1.5 billion investment to build at least   
 10,000 MW of low-impact renewable energy by 2010.
- Make renewable energy sources even more competitive by ending subsidies   
 to fossil fuel and nuclear sectors while shifting taxes to earlier stages in the   
 production cycle of non-renewable energy sources.
- Increase capital cost allowance for green technology such as solar,    
 geothermal, tidal and hydrogen fuel cell development.
- Create thousands of new "Green collar jobs" by encouraging the    
 development of low-emission industries in areas most affected by the shift   
 away from non-renewable resource sectors.
- Discontinue drilling and extraction of fossil fuels in ecologically sensitive   
 regions.
- Allow the price of fossil fuels to reflect their true costs to society through new   
 regulations that force polluters to pay for damages and remediation costs.



## **2. MAKING ENERGY PRODUCTIVE FOR CANADA**

We know that the energy we harness from non-renewable energy resources becomes a pollutant. Scientists say the devastation caused by this waste will only increase as economic production intensifies. The Green Party understands that in order to maintain a healthy society and robust economy into the future, Canada must take a decisive step towards sustainable energy development.

Low impact renewable energy sources such as wind, solar, tidal and geothermal power have always been available to us. But we have instead opted to rely upon scarce energy sources that require massive investments to produce, massive infrastructures to maintain, massive armies to protect, and massive public and private bureaucracies to redistribute and manage.

The good news is that Canadians are poised for an historic shift away from non-renewable energy sources, as we have become more concerned about health, climate change and international peace. We are ready to choose alternatives that make sense to us. Yet the federal government is not doing its part to dismantle the elaborate structure of subsidies and preferential support underpinning our dependence on oil, gas, coal and nuclear energy.

The Green Party is committed to working throughout all levels of government and with citizens to ensure Canadians can harness new sources of energy in their communities. We can do this by recalculating the existing energy of our home and native land.

Jim Harris,  
leader of the Green Party of Canada

### 3. RECALCULATING THE BALANCE SHEET

Fossil fuels have proven to be one of Canada's most prized assets. While the projected revenue from oil sands, offshore and Arctic development may seem like Canada's gain, it is time we consider the other side of the balance sheet. Rising health, social and environmental costs are seldom reflected in government appraisals of energy procurement.

The federal government's unwillingness to measure the drawbacks of oil dependency leaves future generations in a highly vulnerable position. Rather than lead a global push toward renewable energy alternatives, successive Canadian governments have chosen the path of inefficiency and pollution, which inevitably lead to lower productivity, manufacturing losses, and higher fuel prices.

While the Pembina Institute estimates that the federal government dishes out \$1.4 billion every year to fossil fuel production, the figure would be much higher if provincial subsidies were included in the calculation. These actions are known as 'perverse subsidies' because public money is being spent to support practices that harm public well-being and incur unintended (though predictable) costs.

Despite the health, environmental and financial risks associated with nuclear energy, the federal government also continues to subsidize Atomic Energy of Canada Limited (AECL) with over \$100 million each year. Not only would the Green Party end subsidies to AECL, the Green Party would also rescind all uranium-mining permits and prohibit the export of fissionable nuclear material. This is part of the Green Party's overall strategy to promote life-cycle product stewardship of minerals to ensure full-cost accounting.

The Green Party would empower communities with renewable energy and a renewed confidence in public office by dismantling Canada's petroleum and nuclear dependency while developing a decentralized energy plan. In order to do this, the federal government must work with the provinces that are responsible for regulating energy production.

*Green Party MPs will work to:*

- End all federal subsidies to non-renewable energy sectors.
- Work with the provinces to report all public expenditures and tax credits on  oil, gas and mining.
- Allow the price of fossil fuels to reflect their true costs to society through new  regulations that force polluters to pay for damages and remediation costs.



## 4. STRENGTHENING CONFEDERATION WITH RENEWABLE POWER

There is a multitude of ways in which the federal government may inspire cleaner energy sources. In order to do so, however, it must achieve greater cooperation with the provinces. The Green Party would establish a federal secretariat that would coordinate a comprehensive renewable energy strategy with the provinces.

The Quebec government has taken a leadership role in developing sustainable energy. In October 2004, the Quebec government announced a \$1.9 billion wind energy program to develop 1,000 megawatts of wind power. Quebec has since increased its targets to 3,500 MW of wind energy by 2013 and Ontario is planning to construct 2,700 MW of renewable energy capacity by 2010. But why leave the leadership role in developing, manufacturing and exporting wind turbine technology to foreign producers? Canada could take a leadership role in this field, creating tens of thousands of jobs at home.

*Green Party MPs will work to:*

- Coordinate with the provinces a \$1.5 billion investment to build 10,000 MW of   low-impact renewable energy by 2010.
- Assist provincial governments in designing, implementing and monitoring   improved energy efficiency programs, through the Office of Energy Efficiency.
- Discontinue plans for building liquefied natural gas (LNG) plants and   terminals.
- Use government purchasing power to kick-start Canadian suppliers of energy   efficiency and renewable energy products and services by establishing a   strong and reliable domestic market.
- Improve Canadian energy security by implementing a plan to address the   economic consequences of higher oil prices.
- Shift taxes on gasoline, diesel and coal to earlier points in the production   cycle to encourage competition among companies to lower operating costs   while reducing emissions.
- Increase the percentage of ethanol content in gasoline and the availability of   other biofuels.

## 5. A NETWORK OF SUSTAINABLE COMMUNITIES

The future of sustainable energy depends on a better support system for municipalities when shifting Canada to a green economy. The current fiscal imbalance between the federal government and the provinces is hindering communities from building the next generation of clean transport and energy production technologies. The Green Party would invest in communities by sharing a greater portion of federal taxes with municipalities.

*Green Party MPs will also work to improve energy efficiency in communities by:*

- Making transit passes tax-deductible to encourage workers and businesses  to use public transport and make employee parking a taxable benefit.
- Providing fiscal stability for municipal light rail and subway investments by  signing a ten-year funding contract with our cities.
- Supporting expanded pedestrian and cycle infrastructure in towns and cities.
- Develop clear standards for grid access and power purchasing for alternative  energy sources in cooperation with provinces and  municipalities.



## 6. RENEWABLE HOMES AND BUSINESSES

Power from wind turbines, solar panels and biomass sources are currently being sold to grid customers via existing electricity grids. With Green Party pressure on Parliament, however, consumers will be encouraged to purchase their own renewable energy hardware, producing enough power to run their homes and selling the surpluses to neighbours, businesses or back into the power grid. Canadians will therefore be less dependent upon federal and provincial governments to supply energy, as renewable sources will provide the foundation upon which a new Green society will rest. Canadians will also be less vulnerable to major regional power outages.

Green Party MPs would work to:

- Increase capital cost allowance for green technology such as solar,   geothermal, tidal and hydrogen fuel cell development.
- Work with provinces to accelerate and facilitate the connection of renewable   systems to the electrical grid so as to add a million or more small suppliers   of clean energy.
- Fund a national housing program to build energy-efficient co-ops and   affordable housing units.
- Create an efficiency program for landlords, to ensure that tenants do not   have to carry the cost of inefficient housing.
- Establish a special five-year tax break on energy efficiency retrofits in   commercial and residential buildings.
- Create national small business efficiency loans, designed to assist small   and medium sized businesses in reducing energy usage and operating costs.
- Expand the national retrofit program and energy audit initiative through   NRCan, increasing the number of licensed auditors and evaluators.



## 7. ECONOMIC REWARDS

Adjusted revenue-neutral tax changes and new regulations proposed in this document will enable Canada to develop new sources of energy, stimulate jobs in key energy sectors and create profits for new businesses in a green economy.

The faster Canada moves toward sustainable energy, the faster we will see the rewards of a healthier and more productive country. For example, Ontario can create 25,000 new jobs and add at least \$9 billion to its economy by 2010 by focusing on renewable energy according to the David Suzuki Foundation.

Turning Canada into a renewable energy powerhouse will have the added benefit of increasing energy security and global competitiveness in the face of rising global oil and gas prices. Building a strong manufacturing base of advanced energy products and low-emission technologies will place Canada at the forefront of the global shift to renewable energy sources.

*Green Party MPs will work to:*

- Offset measures to increase energy efficiency by lowering taxes on income   
 and investment, thereby improving economic efficiency, productivity and job   
 growth.
- Improve Canadian energy security by implementing a plan to address the   
 economic consequences of higher oil prices.



## **8. CONCLUSION**

Over the next thirty years, Canada will face its greatest challenges to date. The energy that built this country is going to become very expensive as global supplies dwindle. Well before we run out of oil, Canada will face some very difficult questions: we will have to decide whether to sacrifice most of Alberta's fresh water to extract oil from the tar sands; whether to sacrifice the air of Southern Ontario where rates of respiratory disease are soaring under industrial and transport pollution; whether to sacrifice our entire economy and lose jobs by relying on an industry that will be obsolete by the end of the century; finally, Canadians will have to decide whether we want to continue with business-as-usual energy production while Europe and Asia take the lead on creating the energy systems of a post-Kyoto world. Developing renewable energy isn't only good for the environment; it's good for business, too.

The Green Party is ready to answer these difficult questions. We are ready to jumpstart a new economy built on innovative new industries that will help us rediscover the energy that resides in our native land - one that gives us confidence and purpose in our individual lives and in our communities.