



environmental  
defence

House of Commons  
Ottawa, Ontario,  
Canada  
K1A 0A6

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To the Right Honourable Mark Carney, Prime Minister of Canada

We would like to congratulate you on your election as leader of the Liberal Party and taking on the role of Prime Minister.

The world is at a fork in the road. We can choose the path that implements an energy system transformation or we can double down on the fossil fuel status quo. We all know the climate implications of the latter.

What is well understood by most large economies is that prosperous and successful societies are rapidly moving to make real the promise of the clean energy transition.

Since the 1990s China has invested considerably and consistently in the energy transition and now produces over 80% of the materials used in renewable energy at a global scale. It sees its future as dominating this market and that of electrified transportation.

The European Commission has recommended a 90% reduction in emissions (from 1990 levels) by 2040 that would entail a massive deployment of renewable systems, the abolition of coal, and the near-total disappearance of gas from the bloc's energy system, as well as profound changes in transport, food, buildings, factories and waste management.

The next term of government will determine whether Canada joins this economic and moral leadership or stumbles and falls behind. People and communities across Canada know there is no time to waste.

As part of moving quickly on this effort we would like to offer our suggestions to you and your team as you develop your priorities.

To ensure Canada is putting itself in a leadership position in the climate action and energy transition race:



- Require credible Climate Transition Plans that align with the 1.5°C goal of the Paris Agreement from financial institutions like banks, insurance companies, and all large federally-regulated companies.
- Align Canada's financial system with the long-term best interests of Canadians by introducing and implementing a comprehensive 'climate-aligned finance' policy to protect against the risks that climate change brings to our economy, and to ensure our financial institutions are investing in meeting Canada's climate targets.
- Secure Canada's energy sovereignty by bolstering its domestic renewable energy industry to avoid importing polluting, trade-exposed gas from the US (as is the case in Ontario, Quebec and New Brunswick). Through strengthened clean electricity mandates and a green industrial policy package, ensure Canada has a vibrant domestic market for renewable energy projects. Canada should also map out its strengths and weaknesses along the renewable energy supply chain to identify which parts would be strategic to develop domestically. Mineral refining, wind tower manufacturing, solar panel and wind turbine assembly, and material recycling are potentially fruitful places to begin.
- Ensure Canada's electricity is emissions-free by 2035 and upgrade Canada's electricity network by investing in new interprovincial transmission lines (interties), incentivising energy storage, energy efficiency and electricity grid physical and control system upgrades. These improvements can help us meet our economy's growing energy needs while reducing emissions. Additionally, extend the industrial carbon pricing system to cover the electricity sector to further incentivize the transition to clean energy. Electricity is not trade exposed.
- Support workers in the clean economy by investing in programs that grow a skilled clean energy workforce and Indigenous participation in clean energy projects, developing strategies that advance clean regional growth, and bolstering social security programs for workers transitioning from high-carbon industries.
- Ensure polluters are paying their fair share by ending government handouts to oil, gas and petrochemical companies (including ensuring public financing via crown corporations is directed to clean energy and not fossil fuel), strengthening industrial carbon pricing to ensure greater levels of emissions are being covered and that revenues are invested into clean energy and climate resiliency, implementing a windfall tax on excess polluter profits and exploring polluter pays mechanisms to reflect the full social cost of extraction activities. Revenues and savings from these measures should be invested into building clean energy security, transitioning impacted workers and clean energy measures that will benefit Canadians impacted by the cost of living crisis, such as grants for energy efficiency retrofits and heat pumps to drive down home energy bills.



- Regulate emissions and pollutants from the oil and gas sector, and ensure that oil and gas emissions, including methane, are declining at the pace and scale needed to meet Canada's short-term and long-term climate targets.
- Expand the Canada Public Transit Fund to include transit operations funding, procurement requirements for electric buses, incentives for bus lanes, and minimum housing density requirements near transit. EDC modelling indicates this can double transit ridership by 2035 and reduce carbon emissions by (cumulatively) 65 million tonnes. Full report with costed details available [here](#).
- Regulate fossil fuel advertising – including by introducing similar laws to the existing laws regulating advertising by tobacco companies – and prevent greenwashing by strengthening the anti-greenwashing provisions in the Competition Act. Provide the Competition Bureau with the resources and mandate to establish a sustainability taskforce within the Bureau with the necessary capacity and expertise to clamp down on greenwashing by the oil and gas industry.

To reduce plastic pollution and waste in the context of supply chain disruptions:

- Protect and expand the bans on harmful single-use plastics and establish recycled content requirements for plastic packaging and products.
- Launch a dedicated fund to support systems to scale up refill and reuse of packaging using made-in-Canada materials.
- Establish a national system of deposit-return for all beverage containers to ensure all jurisdictions have a functioning and effective program and that material can be collected for refill and/or recycling.
- Take a leadership role in finalizing an ambitious global plastics treaty with allies in Europe and the Global South.

To ensure freshwater health and security in Canada:

- Defend and maintain existing national laws and international agreements, including Canada's *International Boundary Waters Treaty Act* to prevent water privatization and bulk export.
- Continue to invest in the Freshwater Action Plan and renew the *Canada Water Act* to ensure all waters in Canada are healthy, sustainable and resilient to climate change for future generations.



To facilitate new markets for Canadian products, and protect people and the planet from harmful chemicals:

- Invest in expedited, comprehensive class-based chemical assessments and regulations to clean up Canadian products and unlock European markets.
- Get heavy metals, hormone-disrupting chemicals and cancer-causing substances out of products marketed for children.

Lastly, we encourage you to invest in a stronger CBC, to ensure people in Canada have access to local and national news, information and cultural programming in English, French and Indigenous languages and to counter the increasing prevalence of disinformation campaigns.

Environmental Defence has had extensive and positive experiences working with the federal government to address issues of critical importance to Canadians. We look forward to even greater collaboration as Canada takes on a more ambitious agenda to address the challenges and opportunities of moving toward a cleaner, healthier and more sustainable society.

Sincerely,

Tim Gray  
Environmental Defence Canada