

A PETITION TO THE AUDITOR GENERAL OF CANADA

pursuant to s. 21.1 of the *Auditor General Act*

respecting ongoing federal tax breaks to the oil and gas industry that contradict and undermine government statements and spending on the urgent fight against climate change.

November 14, 2007

To:

Office of the Auditor General of Canada
Commissioner of the Environment and Sustainable Development
Attention: Petitions
240 Sparks Street
Ottawa, Ontario K1A 0G6

And to:

Minister of Finance
The Hon. James M. Flaherty
Department of Finance Canada
140 O'Connor Street
Ottawa, Ontario K1A 0G5

And to:

The Hon. John Baird
Minister of the Environment
Les Terrasses de la Chaudière
10 Wellington Street, 28th Floor
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Petition Summary

This petition seeks answers from the federal government about its continuing multi-billion tax subsidies to hugely profitable Canadian oil and gas corporations even while the scientific evidence about climate change is increasingly alarming and while the government excuses its lack of timely climate action on the basis of the apparently high costs.

We also seek explanations about the contradiction between government statements about the gravity of the climate change problem while **continuing to virtually match dollar for dollar tax breaks to the oil and gas industry with spending on climate change programs, including spending announced in the government's March 2007 budget.** We estimate that for the 2007-2008 and 2008-2009 fiscal years, the federal government will spend approximately \$1.6 billion annually on programs to reduce greenhouse gas (GHG) emissions, while spending about \$1.4 billion¹ on industry tax breaks.²

And although the government has recognized the need to phase out the Accelerated Capital Cost Allowance (ACCA), a generous subsidy³ for tar sands developments --- Canada's single fastest growing source of GHGs --- the timelines are so slow that almost all of this subsidy will still be in place at the end of the implementation period for the Kyoto Protocol, the targets for which the government says it cannot meet. As well, for many tar sands projects, the ACCA will not be phased out at all.

In contrast to the slow ACCA phase out, the federal government abruptly eliminated the \$500 million *EnerGuide for Low Income Households* program soon after coming into office in 2006. This program, similar to U.S. programs that have existed for 30 years, would not only have allowed vulnerable residents to significantly improve the energy efficiency of their homes and to reduce energy bills but would also have cut GHG emissions by about 3.4 tonnes per home. Total net savings from this program, if fully implemented, were estimated at about \$1 billion.⁴

¹ The \$1.4 billion figure was not disputed by Minister Baird in his response to our original petition filed on October 3, 2005. The Minister's response is available at: <http://www.oag-bvg.gc.ca/domino/petitions.nsf/viewe1.0/EF2D9AAC9909E75F852571D9005E0D68>

² See Appendix 1.

³ Finance Minister James Flaherty announced the gradual phase out of the ACCA on March 19, 2007. This subsidy may amount to about \$300 million annually according to the *Globe and Mail (Federal Budget 2007, Oil sands tax breaks to end – 2010*, p. A 17, March 20, 2007, Shawn McCarthy), based on government sources. See also the *Green Budget Coalition* which also attributes the \$300 million figure to a government official. See http://www.greenbudget.ca/pdf/Budget_Analysis_2007.pdf The Green Budget Coalition also suggested that the delayed phase out is itself problematic: "This means that taxpayers will continue to provide unjustified subsidies for the vast majority of the approximately \$100 billion in new oil sands capital investments (announced projects) expected over the next decade. In fact, the pending phase-out may serve to accelerate investments in an already overheated sector." The lack of precise figures for government spending on such tax breaks is a problem raised in our initial petition.

⁴ See the Green Communities Fact sheet in Appendix 3.

During the G8 summit of leaders in June 2007 Prime Minister Stephen Harper said that climate change is “perhaps the biggest threat to confront the future of humanity today.”⁵ Environment Minister John Baird says that “Canada now has one of the most aggressive plans to tackle greenhouse gases and air pollution in the world.”⁶ And in its response to the *Kyoto Protocol Implementation Act* the government called climate change “one of the most important challenges facing the global community in the 21st century.”⁷

This petition, which follows up on our petition number 158 of October 3, 2005⁸, seeks an explanation from Ministers Flaherty and Baird on government reasoning for continuing tax subsidies to the oil and gas industry in circumstances including:

- a. the recognition in public statements by the Prime Minister and senior members of Cabinet of the urgency of the problem of global warming;
- b. the recent unequivocal findings of the Intergovernmental Panel on Climate Change (IPCC) about the gravity of global warming;
- c. the findings of Sir Nicholas Stern, former World Bank Chief Economist, respecting the negative economic consequences of a failure to act promptly to reduce GHG emissions⁹;
- d. the serious and measurable impacts already being experienced by Canada’s Inuit and other northern peoples¹⁰; and
- e. the abrupt cancellation of the *EnerGuide Program for Low Income Households* with no phase out period or replacement program despite the evidence that significant energy improvements and GHG emission reductions can be achieved by providing the necessary capital for low income households.¹¹

We estimate that for the next two fiscal years tax subsidies to the oil and gas industry will be about \$500 million **greater than** federal spending on all forms of renewable energy.

Huge subsidies to the oil and gas industry undermine the widely recognized principle of *polluter pays*, the goal of sustainable development, and notions of fiscal responsibility. Indeed these generous tax breaks to oil and gas corporations that made over \$31 billion in profits in 2006 suggest, in the context of dramatic increases in GHG emissions from their activities, that federal leaders have adopted a *polluter gets paid* policy.

⁵ National Post, *Canada role model for G8 countries: Harper*, Andrew Mayeda, CanWest News Service, Monday, June 04, 2007. The full paragraph reads: “BERLIN -- Climate change is “perhaps the biggest threat to confront the future of humanity today,” Prime Minister Stephen Harper said in a speech here Monday that reached for common ground with the European position ahead of this week’s G8 summit.”

⁶ See: <http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=4F2292E9-3EFF-48D3-A7E4-CEFA05D70C21>

⁷ Environment Canada: *A Climate Change Plan for the Purposes of the Kyoto Protocol Implementation Act 2007* at: http://www.ec.gc.ca/doc/ed-es/p_123/CC_Plan_2007_e.pdf

⁸ See Petition # 158 available at: <http://www.oag-bvg.gc.ca/domino/petitions.nsf/viewe1.0/473C1F0F18B352BE8525710700609383>

⁹ See: <http://news.bbc.co.uk/2/hi/business/6096084.stm>

¹⁰ See the Arctic Climate Impact Assessment at <http://www.acia.uaf.edu/>

¹¹ See the Green Communities Fact Sheet in Appendix 3.

WE PETITION THE COMMISSIONER FOR THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT TO REQUEST:

The Hon. James M. Flaherty, Minister of Finance and the Hon. John Baird, Minister of the Environment to:

- a. Explain why the *EnerGuide for Low Income Households* program was cut so abruptly while the ACCA phase out has generous time lines -- and why the EnerGuide program was not replaced by a similar program, given the obvious benefits to vulnerable families and the potential for significant GHG reductions.
- b. Explain why an industry that enjoyed over \$31 billion in profits in 2006 and an oil price approaching \$100 per barrel is more deserving of public funds than low income households given that the latter would be able to significantly reduce GHG emissions with energy efficiency retrofit supports while the former is responsible for huge increases in GHG emissions.
- c. Explain why the ACCA for tar sands projects, which costs the federal government an estimated \$300 million per year,¹² is being phased out over many years starting in 2011 and not at all for a significant number of other projects¹³ instead of being eliminated immediately given the obvious contribution of such projects to rising Canadian GHG emissions and the Budget 2007 comment that this “**preferential treatment is no longer required.**”¹⁴
- d. Explain how a lax ACCA phase out time line is consistent with the plight of Canada's Inuit and northern communities that are facing changes to their very culture and way of life because of abrupt changes brought on by global warming.
- e. Explain if giving tax breaks to the oil and gas industry is a priority on a par with dealing with climate change, described by Prime Minister Harper as “perhaps the biggest threat to confront the future of humanity today.”¹⁵
- f. Explain why the government of Canada continues to spend almost as much on oil and gas tax breaks (about \$1.4 billion in each of the 2007-2008 and 2008-2009 fiscal

¹²

See:

<http://www.theglobeandmail.com/servlet/story/RTGAM.20070319.wbudgetenergy20/BNStory/budget2007/home>

¹³

The March 2007 Budget notes:

... the accelerated CCA will continue to be available in full for assets acquired by the taxpayer before March 19, 2007.

It will also be available for assets acquired by the taxpayer before 2012 that are required to complete a project phase on which major construction by or on behalf of the taxpayer began before March 19, 2007.

¹⁴

See <http://www.budget.gc.ca/2007/bp/bpa5ae.html#capital> Accelerated Capital Cost Allowance for Oil Sands

¹⁵

National Post, *Canada role model for G8 countries: Harper*, Andrew Mayeda, CanWest News Service, Monday, June 04, 2007. The full paragraph reads: “BERLIN -- Climate change is “perhaps the biggest threat to confront the future of humanity today,” Prime Minister Stephen Harper said in a speech here Monday that reached for common ground with the European position ahead of this week's G8 summit.”

years based on 1999 investment projections¹⁶) as on climate change programs (about \$1.6 billion in these same fiscal years¹⁷) if it views climate change as an urgent problem.

- g. Explain why the federal government is spending \$500 million more on subsidies to the oil and gas industry in each of the next two fiscal years than it is spending on clean renewable energy despite the fact that reducing greenhouse gas emissions is an international priority.
- h. Given that the Government of Canada will spend \$2.8 billion subsidizing oil and gas polluters over the next two years, explain if Canada has abandoned the internationally accepted *polluter pays* principle for a made-in-Canada *polluter gets paid* principle.
- i. Explain how the Government of Canada's pledge to "increase transparency and oversight in government operations"¹⁸ is achieved by the Department of Finance's repeated failure to make the total dollar amount of subsidies to the oil and gas industry available to Canadians in a comprehensible format.
- j. State whether the Government of Canada agrees with its own internal January 2007 report that a \$50 per tonne carbon tax would increase economic growth by 2020.¹⁹
- k. State why other tax subsidies to the oil and gas industry such as the Canadian Exploration Expense, the Canadian Development Expense, and the Canadian Oil and Gas Property Expense are not also being phased out.

A. The urgency of climate change vs. the casual pace of the government response

1. The Kyoto Protocol entered into legal force on February 16, 2005.
2. Canadian GHG emissions increased by 25.3% or 151 Mt between 1990 and 2005. Canada is now 32.7% or 187 Mt above the Kyoto target.²⁰
3. A significant part of the increase in Canadian GHG emissions since 1990 is from the oil and gas industry. Oil production accounted for 28% of the increase in

¹⁶ <http://www.pembina.org/pdf/publications/GovtSpendingOnOilAndGasFullReport.pdf>

¹⁷ See Table 1 in Appendix 1.

¹⁸ See the April 11, 2006 Press Release: "Turning a New Leaf - Federal Accountability Act and Action Plan." Available at: http://www.faa-lfi.gc.ca/index_e.asp

¹⁹ "Little damage from carbon tax, report says." *Globe and Mail*, June 20, 2007.

<http://www.theglobeandmail.com/servlet/story/RTGAM.20070620.wgreen0620/BNSStory/National/home>

²⁰ Environment Canada: *National Inventory Report, 1990-2005*.

http://www.ec.gc.ca/pdb/ghg/inventory_report/2005/2005summary_e.cfm

- Canadian GHG emissions since 1990. As tar sands developments continue to expand, emissions may double between 2004 and 2015.²¹
4. In its January 2005 report, *Government Spending on Canada's Oil and Gas Industry: Undermining Canada's Kyoto Commitment*, the Pembina Institute found that the oil and gas industry benefited from \$1.4 billion in federal tax subsidies in the year 2002 alone, and \$8 billion in tax subsidies between 1996 and 2002.²²
 5. A May 2007 report by the Pembina Institute concludes that the federal government's most recent climate change plan *Turning the Corner* will neither meet the targets of the Kyoto Protocol nor meet the government's new target of stopping the growth of Canada's GHG emissions by 2010-2012.²³
 6. The 2007 Fourth Assessment Report by the IPCC concludes that "with current climate change mitigation policies and related sustainable development practices, global GHG emissions will continue to grow over the next few decades."²⁴
 7. In addressing climate change and other impacts, the United Nations authoritative *Millennium Ecosystem Assessment* stated that over the past 50 years, human beings "have changed ecosystems more rapidly and extensively than in any comparable period of time in human history" leading to "a substantial and largely irreversible loss in the diversity of life on Earth." The Assessment also stressed the need to eliminate perverse subsidies, such as Canada's huge subsidies to the oil and gas industry that promote environmental destruction.²⁵
 8. British economist Sir Nicholas Stern conducted a comprehensive review of climate change for the British Government in October 2006. Stern concluded that "investment now [in reducing GHGs] will pay us back many times in the future, not just environmentally but economically as well."
 9. Sir Stern said that "For every £1 invested now we can save £5, or possibly more, by acting now."²⁶ He concluded that failing to address climate change could reduce world GDP by 20%.²⁷
 10. On the release earlier this year of an IPCC report on impacts, adaptation, and vulnerability to climate change, Chair Rajendra Pachauri said, "It is the poorest of the poor in the world, and this includes poor people even in prosperous societies, who are going to be the worst hit."²⁸

²¹ See: <http://www.washingtonpost.com/wp-dyn/content/article/2006/10/04/AR2006100401724.html>

²² <http://pubs.pembina.org/reports/GovtSpendingOnOilAndGasFullReport.pdf>

²³ See: <http://climate.pembina.org/media-release/1465>.

²⁴ See: <http://www.ipcc.ch/SPM040507.pdf> at p. 4.

²⁵ See: <http://www.millenniumassessment.org/en/Condition.aspx>

²⁶ See: <http://news.bbc.co.uk/2/hi/business/6096084.stm>

²⁷ See: <http://news.bbc.co.uk/1/hi/business/6096594.stm>

²⁸ Environment News Service, *UN Climate Change Impact Report: Poor Will Suffer Most*, April 6, 2007.

11. Canada's Inuit and far north communities are particularly affected by climate change, as documented in the comprehensive *Arctic Climate Impact Assessment*.²⁹

B. Tax Subsidies to the Oil and Gas Industry

12. The bulk of federal subsidies to the oil and gas industry are tax breaks given to oil and gas companies through the corporate tax system.
13. Since Canada first agreed to its 6% Kyoto reduction target in 1997 it has spent more than two times as much on tax subsidies to the oil and gas industry as it has spent on achieving its Kyoto target.³⁰
14. Several years ago, the federal Department of Finance estimated that the tar sands sector will receive about \$816 million³¹ in federal tax subsidies in the period 1996-2010 based on investment levels projected in 1999.³² Projected investment levels have since increased substantially.³³
15. Total federal tax subsidies to the oil and gas industry between 1996 and 2002 were almost \$8 billion (measured in 2000\$).³⁴
16. The government of Canada will spend at least \$1.4 billion on tax subsidies to the oil and gas industry in each of the next two fiscal years based on the most recent statistics available.³⁵
17. These estimates of magnitude of tax subsidies to oil and gas corporations were not disputed in the response by the Hon. James M. Flaherty to our environmental petition number 158, filed in October 2005.³⁶
18. Tax subsidies to some of Canada's richest corporations continue despite the fact that the greenhouse gases they emit will disproportionately harm many of the poorest Canadians, including the Inuit who live a subsistence way of life in the Arctic.

²⁹ <http://www.acia.uaf.edu/>

³⁰ See the analysis in our original petition available on the CESD website at: <http://www.oag-bvg.gc.ca/domino/petitions.nsf/viewe1.0/473C1F0F18B352BE8525710700609383>

³¹ This amount is in 1996 dollars.

³² Ketchum, Ken, Robert Lavigne, and Reg Plumber, Dept of Finance Working Paper, 2001-17 at p. 15.

³³ The Canadian Energy Research Institute estimated oil sands investment in the next 20 years (2000-2020) at \$100 billion. <http://www.ceri.ca/#oilseminar> See also the Green Budget Coalition at

http://www.greenbudget.ca/pdf/Budget_Analysis_2007.pdf

³⁴ See Appendix 1.

³⁵ See Appendix 1.

³⁶ See: <http://www.oag-bvg.gc.ca/domino/petitions.nsf/viewe1.0/EF2D9AAC9909E75F852571D9005E0D68>

19. The price of crude oil approached \$100 US per barrel in early November 2007.³⁷
20. Statistics Canada reported in February 2007 that, "Oil and gas extraction companies' profits exceeded \$31 billion for the first time ever in 2006, up 2.3% over 2005 levels."³⁸

C. Comparing Oil and Gas Tax Subsidies to Climate Change and Kyoto Spending

21. In comparison to oil and gas industry subsidies, the 2007 Budget allocates approximately \$1.6 billion to climate change programs in each of the fiscal years 2007-2008 and 2008-2009.³⁹ The potential benefits of these programs in terms of GHG reductions will be significantly offset by increasing oil and gas industry emissions.
22. In total, the federal Government's 2007 Budget allocated approximately \$7 billion to climate action as part of its *Turning the Corner* plan, including previously committed monies, over a period of ten years.⁴⁰ This spending is less than the \$8 billion spent by the government on tax subsidies to the oil and gas industry between 1996 and 2002.⁴¹
23. The federal government will spend approximately \$960 million and \$860 in the fiscal years 2007-2008 and 2008-2009 respectively on renewable energy and energy efficiency programs.
24. The government will spend about \$500 million more on subsidies to the oil and gas industry in the fiscal years 2007-2008 and 2008-2009 than it will on clean energy undermining Prime Minister Harper's assertion that Canada is becoming a "green energy superpower."⁴²

D. Phase out of the ACCA vs. Elimination of the *EnerGuide for Low Income Households* program

³⁷ Associated Press article at: <http://ap.google.com/article/ALeqM5i5TtajgUpSm7KY5jf-ICJGHBB-tAD8ST1F480>

³⁸ *The Daily*, Statistics Canada, February 22, 2007 at <http://www.statcan.ca/Daily/English/070222/d070222a.htm>

³⁹ See Table 1 in Appendix 1.

⁴⁰ See Table 1 in Appendix 1. The figure is \$8.5 billion if we include the ecoEnergy for Biofuels, but we cannot determine that any funds have actually been allocated to this program.

⁴¹ <http://www.cbc.ca/canada/story/2007/04/26/emissions-targets.html>

⁴² See: <http://www.pm.gc.ca/eng/media.asp?id=1681>

25. In the March 2007 budget Minister Flaherty announced the phase out of the ACCA for oil sands projects.⁴³

26. In announcing the ACCA phase out the government said:

This incentive helped to offset some of the risk associated with early investments in the oil sands and contributed to the development of this strategic resource. Over time, however, technological developments and changing economic conditions have led to major investments that have moved the sector to a point where **the majority of Canada's oil production will soon come from oil sands. As a result, this preferential treatment is no longer required.** (emphasis added)⁴⁴

27. The budget document noted, however, that:

To the extent that the accelerated CCA for oil sands projects induces incremental oil sands development that could contribute to environmental impacts, such as greenhouse gas emissions, air and water contaminants, water usage, and disturbance of natural habitats and wildlife, these changes could help reduce such incremental impacts.

To provide stability, and in recognition of the long time lines involved in some oil sands projects, the following transitional relief will be provided:

*** the accelerated CCA will continue to be available in full for:**

- **assets acquired before March 19, 2007, and**
- **assets acquired before 2012 that are part of a project phase on which major construction began before March 19, 2007; and**

*** for other assets, the additional accelerated allowance will be gradually phased down over the period from 2011 to 2015 (when it will be eliminated), according to the schedule set out below.** (emphasis added)⁴⁵

28. On this point, the Budget document also states:

⁴³ See <http://www.budget.gc.ca/2007/bp/bpa5ae.html#capital> Accelerated Capital Cost Allowance for Oil Sands

⁴⁴ *Ibid.*

⁴⁵ *Ibid.*

... the accelerated CCA will continue to be available in full for assets acquired by the taxpayer before March 19, 2007. It will also be available for assets acquired by the taxpayer before 2012 that are required to complete a project phase on which major construction by or on behalf of the taxpayer began before March 19, 2007.

29. On the issue of the ACCA the budget document further reads:

Phase-Out Schedule

For assets that do not qualify for the full retention of the accelerated CCA as outlined above, the availability of the additional allowance will be gradually phased out in respect of claims made over the period from 2011 to 2015.⁴⁶

30. By 2012 --- the end of the Kyoto period --- corporations will still be able to claim 80% of the ACCA⁴⁷ for projects subject to the phase out and 100% for other projects.
31. The Pembina Institute wrote to Prime Minister Harper in March 2007 to express its concern about the slow pace of the ACCA phase out and the fact it does not even apply to many projects:

The current ACCA phase-out schedule, beginning in 2011, means that taxpayers will continue to subsidize Canada's fastest growing sources of greenhouse gas pollution for another eight years. **Eleven oil sands projects currently under construction will receive the full 100% ACCA under grandfathering clauses.** A further 45 planned projects will receive substantial capital cost allowances because they will be completed before 2015. **As a result, over 90% of oil sands projects currently on the books – which will ultimately raise production to over 5 million barrels per day – will receive substantial subsidies.** The Pembina Institute recommends that the phase-out period begin immediately and that it apply equally to new projects and to existing projects undergoing expansion. (emphasis added)⁴⁸

32. In contrast to the gradual ACCA phase out, the *EnerGuide for Low Income Households* (EGLIH) program was abruptly cancelled with little explanation from the Minister of Finance.
33. Low income households usually do not have the financial resources to make energy efficiency improvements even though they spend a disproportionately high

⁴⁶ *Ibid.*

⁴⁷ *Ibid.*

⁴⁸ Pembina Institute, letter to Prime Minister Harper from Marlo Reynolds, March 28, 2007. See http://pubs.pembina.org/reports/ACCA_Letter%20to%20Harper_Mar2007.pdf

part of their income on energy bills. The inability to pay for energy bills is the second-leading cause of evictions.⁴⁹

34. At the time of the EGLIH program cancellation Clifford Maynes, the Executive Director of Green Communities, which works on energy efficiency programs, said:

Low-income households already live close to the edge, and steep increases in energy prices will push many of them over. One very powerful response is to improve efficiency of low-income housing, which reduces energy burden by reducing wasteful energy consumption. Everybody wins, including the environment.⁵⁰

35. Green Communities estimated that EGLIH could have reduced GHG emissions per household by 3.4 tonnes, significantly reduced energy consumption and energy bills for low income Canadians, and resulted in net savings of \$1 billion:

Energy retrofits can save a quarter to a third of energy bills – estimated \$500 or more annually for low-income households. Canceling EGLIH will deprive 130,000 low-income Canadian households of the benefits of significantly lower energy bills through reduced consumption.

Total net savings from EGLIH would exceed \$1 Billion. In effect, the government has cancelled a program that would make Canadians \$1 Billion richer, with much of the benefits going to those who can least afford steep increases in energy prices. Last November, the Conservatives under Stephen Harper voted unanimously for Bill C-66, which approved five-year funding for EGLIH. Now, just as delivery is getting underway, EGLIH has been cancelled.

No alternative is in place to achieve bill savings in Canada's low-income housing, which is generally older and less efficient than average. Cancellation of EGLIH also means an end to other program co-benefits, including: job creation and business opportunities in completing home energy retrofits, environmental gains, including reduction in emissions of atmospheric pollutants. (Average CO2 reduction per house: 3.4 tonnes/year.)⁵¹

⁴⁹ Green Communities, Fact sheet May 2006 (see also Appendix 3), <http://www.gca.ca/indexcms/downloads/EGH%20factsheets.pdf>

⁵⁰ Green Communities, Press release, March 2006, available at <http://www.gca.ca/indexcms/downloads/EGH%20factsheets.pdf>

⁵¹ Green Communities, Fact sheet May 2006 (and Appendix 3), see <http://www.gca.ca/indexcms/downloads/EGH%20factsheets.pdf>

E. Conclusions

36. Since Canada first agreed to its Kyoto reduction target in 1997 it has spent \$2 on promoting GHG emissions through subsidies to the oil and gas industry for every \$1 spent on meeting its Kyoto target.⁵²
37. The ACCA is being phased out but at a leisurely pace for some tar sands projects and not at all for many other projects such that Canadians have good reason to be anxious about the government's understanding of the climate change peril we face.
38. Thanks in part to multibillion dollar government subsidies, the tar sands are now the single largest contributor to GHG emissions growth in Canada.⁵³
39. These ongoing tax subsidies also deprive the government of funds that could otherwise be used to fund investments in greater energy conservation and efficiency --- including programs for low income Canadians --- low-impact renewable energy, and clean mass transit infrastructure that reduces GHG emissions.
40. The abrupt cancellation of the *EnerGuide Low Income Households* program in the context of massive tax subsidies to the oil and gas industry and huge potential GHG reductions from home retrofits raises significant issues of equity and prudent spending from the public purse.
41. Continuing to subsidize the oil and gas industry weakens Canada's standing internationally. The subsidies make it more difficult to meet our Kyoto targets and undermine our credibility when demanding that developing countries such as China and India reduce their massive GHG emissions.
42. If the Government of Canada believes that climate change is "perhaps the biggest threat to confront the future of humanity today" it should immediately eliminate tax subsidies to the oil and gas industry.⁵⁴

⁵² See petition 158: <http://www.oag-byg.gc.ca/domino/petitions.nsf/viewe1.0/473C1F0F18B352BE8525710700609383>

⁵³ <http://www.oilsandswatch.org/media-release/1257>

⁵⁴ http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20070603/harper_g8_070604?s_name=&no_ads=

Appendix 1: Climate change spending vs. Tax subsidies

TABLE 1: Federal Climate Change spending: 2007-08 and 2008-09, millions (2007\$)⁵⁵

Climate Change Program	Spending 2007-08	Spending 2008-09	Total Funding Allocated (duration: yrs)
Renewable Energy & Energy Efficiency			
1. Accelerated Capital Cost Allowance (ACCA) for Clean Energy Generation ⁵⁶	\$10	\$10	\$20 (2 yrs)
2. Accelerated Capital Cost Allowance for Forest Bioenergy ⁵⁷	\$10	\$20	\$30 (2 yrs)
3. EcoEnergy Program			
a. Renewables (Power and Heat) ⁵⁸		\$120	\$1,500 (14 yrs)
b. ecoEnergy Efficiency Initiative ^{*59}	\$75	\$75	\$300
c. Technology ^{*60}	\$58	\$58	\$230 (4 yrs)
4. Eliminating excise tax exemption for biodiesel and ethanol ⁶¹		-\$40	-\$40 (1 yr)
5. Sustainable Development Technology Canada ⁶²	\$200	\$25	\$500
6. Biofuels Capital Formation Assistance ^{*63}	\$50	\$50	\$200 (4 yrs)
7. Agricultural Bioproducts Innovation Research ^{*64}	\$36	\$36	\$145
8. Microalgae research funding for CO ₂ conversion	\$0.1		\$0.1
9. School of Sustainable Energy	\$15		\$15
10. EcoTrust for Clean Air and Climate ⁶⁵	\$506	\$506	\$1,519 ⁶⁷ (3 yrs)
11. EcoEnergy for Biofuels ⁶⁶			\$1,500 (9 yrs)

⁵⁵ Compiled from *The Budget Plan 2006: Focusing on Priorities*; *The Budget Plan 2007: Aspire to a Stronger, Safer, Better Canada*; public announcements on: Dec. 20, 2006; Jan. 17, 2007; Jan. 22, 2007; March 12, 2007, July 5, 2007 etc; and *A Climate Change Plan for the purposes of the Kyoto Plan Implementation Act*, August 2007.

⁵⁶ See *Budget 2007*, Table A5.1, Cost of Proposed Tax Measures,

<http://www.budget.gc.ca/2007/bp/bpa5ae.html#overview>. Or see p. 100 of *Budget 2007* in pdf version.

⁵⁷ Funding for 2008-2009 is estimated. (From p. 117 of *Budget 2006*.)

⁵⁸ Includes \$148b for renewable power (wind, low impact hydro etc) and \$36m for renewable heat. See <http://www.ecoaction.gc.ca/ecoenergy-ecoenergie/heat-chauffage/index-eng.cfm> cf. *Budget 2007*, p. 63.

⁵⁹ See the Feb 2007 NRCan backgrounder. This program gives \$220m to ecoEnergy retrofits for houses, small business, and industry, \$60m to ecoEnergy for Buildings and Houses, and \$20m to ecoEnergy for Industry. http://www.nrcan.gc.ca/media/newsreleases/2007/200704a_e.htm

⁶⁰ Program designed to increase market readiness of clean energy technologies including clean tar sands and clean coal developments. See the Jan 2007 NRCan backgrounder http://www.nrcan.gc.ca/media/newsreleases/2007/200701b_e.htm

⁶¹ There is no data on the costs of this program post 2008-2009. See p. 100 of *Budget 2007*.

⁶² An arms-length non-profit organization established in 2001 to demonstrate clean technologies.

⁶³ See Agric Canada website at: http://www.agr.gc.ca/index_e.php?s1=prog&s2=cfap-pafc

⁶⁴ See the Agric Canada website at: http://www.agr.gc.ca/sci/abip-piba/index_e.php

Transportation			
1. Vehicle Efficiency Initiative ⁶⁸			
a. ecoAuto Rebate Program ⁶⁹	\$80	\$80	\$160 (2 yrs)
b. Green Levy on fuel inefficient vehicles ⁷⁰	-\$110	-\$105	-\$215 (2 yrs)
c. Scrapping older cars	\$13	\$23	\$36 (2 yrs)
2. Public transit tax break			
d. 15.5% tax credit* ⁷¹	\$220	\$235	\$605 (3 yrs)
e. Tax credit expansion in Budget 2007 ⁷²	\$10	\$20	\$30 (2 yrs)
3. FLOW: 5 GTA public transit projects ⁷³	\$137	\$137	\$962 (7 yrs)
4. EcoTransport Strategy*			
a. EcoMobility ⁷⁴	\$3	\$3	\$10 (4 yrs)
b. EcoFriendly Vehicles ⁷⁵	\$9	\$9	\$36 (4 yrs)
c. Eco Freight ⁷⁶	\$15	\$15	\$61 (4 yrs)
5. Public Transit Capital Trust ⁷⁷	\$300	\$300	\$900 (4 yrs)
Total:	\$1,637.1	\$1,577	\$8,504.1

* denotes assumption that funding is to be equally allocated over 4-yr program duration.

⁶⁵ See the Feb 12, 2007 government press release at: <http://pm.gc.ca/eng/media.asp?id=1532> The program assists provinces to reduce air contaminants and GHGs.

⁶⁶ Announced on July 5, 2007; part of Renewable Fuels Strategy. Unclear if money has been allocated.

⁶⁷ We include the full amount of program spending even though these amounts may not necessarily be used for programs to reduce GHG emissions. See p. 135, Budget 2007.

⁶⁸ Budget 2007, p. 100.

⁶⁹ The program encourages the buying of energy efficient vehicles. See the Transport Canada site at: <http://www.tc.gc.ca/programs/environment/ecotransport/ecoauto.htm>

⁷⁰ See *Budget 2007*, Table A5.1, Cost of Proposed Tax Measures, <http://www.budget.gc.ca/2007/bp/bpa5ae.html#overview> (This figure is net of removing the excise tax on heavy vehicles.)

⁷¹ Funding for 2008-2009 is estimated.

⁷² See *Budget 2007*, Table A5.1, Cost of Proposed Tax Measures, <http://www.budget.gc.ca/2007/bp/bpa5ae.html#overview>

⁷³ See the PM's announcement of March 2007 at http://pm.gc.ca/includes/send_friend_eMail_print.asp?URL=/eng/media.asp&id=1560&langFlg=e We assume funding was allocated equally over 7 years.

⁷⁴ See the Transport Canada Fact sheet at: <http://www.tc.gc.ca/mediaroom/infosheets/ecomobility.htm> This program promotes use of public transit and other sustainable transportation.

⁷⁵ See the Transport Canada press release at: <http://www.tc.gc.ca/mediaroom/releases/nat/2007/07-gc005e.htm> This program includes \$21m for the ecoTechnology for Vehicles program (a labelling initiative) and \$15m for the ecoEnergy for Personal Vehicles.

⁷⁶ The ecoFreight program includes six specific initiatives including the *Marine Shore Power Program* and trucking industry programs such as the ecoEnergy for Fleets. See the Transport Canada press release at: <http://www.tc.gc.ca/mediaroom/speeches/2007/2007-02-15.htm>

⁷⁷ This program is for transit infrastructure and based on population. <http://www.fin.gc.ca/FEDPROV/C48e.html>

TABLE 2: Tax subsidies to oil and gas production, millions (2000\$)⁷⁸

ITEM	1996	1997	1998	1999	2000	2001	2002	TOTAL
CDE, CEE & COGPE ⁷⁹	721	568	375	703	1,052	1,144	1,035	5,598
ACCA (oil sands)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	484
Earned Depletion ⁸⁰	33	31	14	9	3	19	17	126
Resource Allowance ⁸¹	146	59	66	176	226	61	84	819
Invest. Tax Credit ⁸²	136	114	39	28	17	66	112	513
Syncrude Remission Order ⁸³	12	38	44	6	12	169	226	507
Negative Tax Exp ⁸⁴	0	0	0	0	0	-25	-92	-117
TOTAL	1,048	810	539	922	1,309	1,453	1,384	7,931

⁷⁸ <http://www.pembina.org/pdf/publications/GovtSpendingOnOilAndGasFullReport.pdf>

⁷⁹ Canadian Exploration Expense (CEE); Canadian Development Expense (CDE); and the Canadian Oil and Gas Property Expense (COGPE).

⁸⁰ ED is currently being phased out. See *ibid* at p. 29.

⁸¹ This value includes only the difference between the resource allowance and the value of royalties ie the resource allowance less what would be collected if royalties were deductible instead of a 25% deduction under the federal resource allowance as proxy for royalty deductions. The resource allowance was designed “to provide some form of deduction in recognition of provincial and other Crown resource levies, while offering an incentive for exploration and development in Canada.”

⁸² The Investment Tax Credits (ITCs) category includes expenditure associated with the Atlantic Tax Credit and the Scientific Research and Experimental tax credit.

⁸³ “In 1976, the federal government issued a remission order allowing participants in the Syncrude oil sands project to deduct royalty payments and make full use of the resource allowance. The remission order expired at the end of 2003.” See the Pembina report at p. 30.

⁸⁴ <http://www.pembina.org/pdf/publications/GovtSpendingOnOilAndGasFullReport.pdf>

In 2003 the corporate tax rate was reduced from 28 to 21% --- at a rate of 1% per annum ending in 2007 --- for the oil and gas and mining sectors. The tax rate reduction was given to other corporate sectors in 2001. Thus the Pembina study calculated the difference between what oil and gas would have paid under the reduced rate had it been applied to that sector in 2001. The same budget also included the elimination of the federal capital tax by all sectors.

Appendix 2: March 2007 Budget - ACCA phase out

Source: <http://www.budget.gc.ca/2007/bp/bpa5ae.html#capital>

Accelerated Capital Cost Allowance for Oil Sands

Currently, most machinery, equipment and structures used to produce income from a mine or an oil sands project, including buildings and community infrastructure related to worker accommodations, are eligible for a capital cost allowance (CCA) rate of 25 per cent under Class 41 of Schedule II to the Income Tax Regulations. This rate also applies to assets owned by a mineral resource owner that are used in the initial processing of ore from the mineral resource or in upgrading of bitumen (the oil sands product) from that mineral resource into synthetic crude oil.

In addition to the regular CCA deduction, an accelerated CCA has been provided since 1972 for assets acquired for use in new mines, including oil sands mines, as well as assets acquired for major mine expansions (i.e. those that increase the capacity of a mine by at least 25 per cent). **In 1996, this accelerated CCA was extended to in-situ oil sands projects (which use oil wells rather than mining techniques to extract bitumen) by deeming them to be mines. This change ensured that both types of oil sands projects are accorded the same CCA treatment.** The 1996 changes also extended the accelerated CCA to expenditures on eligible assets acquired in a taxation year for use in a mine or oil sands project, to the extent that the cost of those assets exceeds 5 per cent of the gross revenue for the year from the mine or project. (emphasis added)

The accelerated CCA takes the form of an additional allowance that supplements the regular CCA claim. Once an asset is available for use, the taxpayer is entitled to deduct CCA at the regular rate. The additional allowance allows the taxpayer to deduct in computing income for a taxation year up to 100 per cent of the remaining cost of the eligible assets, not exceeding the taxpayer's income for the year from the project (calculated after deducting the regular CCA). This accelerated CCA provides a financial benefit by effectively deferring taxation until the cost of capital assets has been recovered out of project earnings.

This incentive helped to offset some of the risk associated with early investments in the oil sands and contributed to the development of this strategic resource. Over time, however, technological developments and changing economic conditions have led to major investments that have moved the sector to a point where the majority of Canada's oil production will soon come from oil sands. As a result, this preferential treatment is no longer required.

As outlined below under "Accelerated Capital Cost Allowance for Clean Energy Generation", the existing provision that encourages industries including the oil sands to invest in equipment that generates energy more efficiently or by using renewable energy sources will be extended to equipment acquired before 2020 and expanded to cover additional applications. Going forward, the Government commits to identify additional areas where accelerated CCA and other measures can be used to help industries like the oil sands invest in promising new clean energy technologies like carbon capture and storage.

Budget 2007 proposes to phase out the accelerated CCA for oil sands projects—both mining and in-situ. The regular 25-per-cent CCA rate will remain in place.

To the extent that the accelerated CCA for oil sands projects induces incremental oil sands development that could contribute to environmental impacts, such as greenhouse gas emissions, air and water contaminants, water usage, and disturbance of natural habitats and wildlife, these changes could help reduce such incremental impacts.

To provide stability, and in recognition of the long time lines involved in some oil sands projects, the following transitional relief will be provided:

* the accelerated CCA will continue to be available in full for:

o assets acquired before March 19, 2007, and

o assets acquired before 2012 that are part of a project phase on which major construction began before March 19, 2007; and

* for other assets, the additional accelerated allowance will be gradually phased down over the period from 2011 to 2015 (when it will be eliminated), according to the schedule set out below.

Full Accelerated CCA

As noted, the accelerated CCA will continue to be available in full for assets acquired by the taxpayer before March 19, 2007. It will also be available for assets acquired by the taxpayer before 2012 that are required to complete a project phase on which major construction by or on behalf of the taxpayer began before March 19, 2007.

A project phase is either the initial phase of a new project or a discrete expansion of an existing project. A phase refers to the installation of a group of assets which, when brought into use, results in a distinct increase in average daily output. A phase will generally be considered to be complete when the first incremental production related to that phase (other than test operations) comes on stream for a sustained period.

Major construction on a phase will be considered to have begun when physical fabrication or installation has begun on, or the taxpayer has acquired, buildings, structures or machinery and equipment in at least one of the major facilities required to complete that phase of the project. Construction must have been started by either the taxpayer or by a party with whom the taxpayer has a contract in writing (entered into before March 19, 2007) to construct the asset for the taxpayer.

Work preliminary to construction such as obtaining permits or regulatory approvals, conducting feasibility studies or environmental assessments, performing design or engineering work, clearing or excavating land, building roads, or entering into construction contracts will not be considered major construction.

Phase-Out Schedule

For assets that do not qualify for the full retention of the accelerated CCA as outlined above, the availability of the additional allowance will be gradually phased out in respect of claims made over the period from 2011 to 2015. In each year, a taxpayer will be permitted to claim a percentage of the amount of the additional allowance otherwise calculated under the existing rules. The percentage allowed will decline each calendar year, as follows (prorated for off-calendar taxation years):

Year

Allowable Percentage of Additional Allowance

2010	100
2011	90
2012	80
2013	60
2014	30
2015	0

This schedule will generally preserve a higher proportion of the accelerated CCA for projects that are relatively advanced on March 19, 2007.

The amount of the additional allowance will be reduced each year, regardless of whether the binding constraint is the level of project income or the amount of the undepreciated capital cost (UCC). However, any portion of the capital cost that is no longer deductible in a year under the additional allowance as a result of this limitation will result in a higher UCC at the end of the year, which is carried forward to the following year for calculation of both the regular CCA claim and the additional allowance for the following year.

The following is a simplified example illustrating operation of the phase-out.

Example: Accelerated CCA Phase-Out

In 2011, a company has an undepreciated capital cost (UCC) of \$100 million for Class 41 assets related to an oil sands project which began major construction after March 19, 2007 and has come into production. The income from the project after regular CCA in each of 2011 and 2012 is \$40 million. All figures are rounded.

Existing Rules

Under the existing rules, the company would be able to deduct each year the entire additional allowance, which is the lesser of the undepreciated capital cost of the assets and the income from the project in the year.

(\$ million)	2011	2012
(1) UCC—opening balance	100	35
(2) Regular Class 41 CCA claim—25%	25	9
(3) UCC remaining [(1) - (2)]	75	26
(4) Income from the project after regular CCA	40	40
(5) Additional allowance [lesser of (3) and (4)]	40	26
(6) Total CCA claim [(2) + (5)]	65	35
(7) UCC—closing balance [(1) - (6)]	35	0

Phase-Out Rules

Under the phase-out rules, the company is able to deduct a declining percentage of the additional allowance calculated under the existing rules.

(\$ million)	2011	2012
(1) UCC—opening balance	100	39
(2) Regular Class 41 CCA claim—25%	25	10
(3) UCC remaining [(1) - (2)]	75	29
(4) Income from the project after regular CCA	40	40
(5) Additional allowance calculated under existing rules [lesser of (3) and (4)]	40	29
(6) Percentage of allowance allowed under phase-out	90%	80%
(7) Additional allowance under phase-out [(5) X (6)]	36	23
(8) Total CCA claim [(2) + (7)]	61	33
(9) UCC—closing balance [(1) - (8)]	39	6

Appendix 3: *EnerGuide for Low Income Households*

Green Communities Canada Press Release

Ottawa urged to restore popular EnerGuide for Houses programs

11 May 2006

[Note: a version of the *EnerGuide for Houses Retrofit Incentive* has since been reinstated, but **not** the *Low Income Households* program.]

Green Communities Canada is calling on the federal government to reconsider its decision to cancel Canada's money-saving EnerGuide for Houses (EGH) programs.

"The government's cancellation of these popular, effective programs is very bad news for residential energy efficiency in this country," said Clifford Maynes, Executive Director of Green Communities Canada. "The government has a responsibility to keep them in place at least until it has something better to replace them with," he said.

Two major programs have been cancelled. EnerGuide for Houses Retrofit Incentive (EGHRI) provides performance-based grants to homeowners who make energy efficiency investments in their homes. **EnerGuide for Low Income Households (EGLIH), a new program launched in 2006, pays the full cost of energy efficiency upgrades for qualifying low-income households.** (emphasis added)

"These are exactly the sort of energy efficiency programs we would expect the new government in Ottawa to embrace," Maynes said: "practical, positive, cost-effective, and accountable."

Participants in the EGH Retrofit Incentive save an average of 28 per cent on their energy bills. That's \$750 a year – or \$18,750 in lifetime savings at current energy prices.

"EnerGuide for Houses has the potential to make Canadians billions of dollars richer," Maynes said.

Besides saving money, EGH also leverages home improvement investments (\$5,000-\$7,000 per grant) that create hundreds of jobs and business opportunities, and generate tax revenues for government. EGH contributes to our national energy security. And because less energy is consumed, EGH reduces air pollution.

"Canadians care about a healthy environment, and improved home energy efficiency is one way for us all to contribute," Maynes said.

Canada's world-renowned state-of-the-art EnerGuide for Houses program was conceived in the early 90s and launched in 1998 after years of development.

[...]

Maynes said many Canadians are particularly upset by the cancellation of the five-year \$500 million EnerGuide for Low-Income Households (EGLIH) program.
(emphasis added)

“Low-income households already live close to the edge, and steep increases in energy prices will push many of them over. One very powerful response is to improve efficiency of low-income housing, which reduces energy burden by reducing wasteful energy consumption,” Maynes said. “Everybody wins, including the environment.”

Maynes noted that the Conservatives under Stephen Harper voted unanimously in favour of increased EGH funding, including the low-income program, as recently as November, 2005.

He called on the government to reconsider eliminating the programs, and to preserve Canada’s vital but still emerging home energy efficiency industry.

“If the government wants to improve Canada’s home efficiency programs to get more energy-saving results, there are companies and individuals with tremendous expertise who would be happy to work with them to do that. But meanwhile we must take great care not to lose what we have achieved. Let’s build on our impressive progress to date to do an even better job in future.”

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See: www.greencommunitiescanada.org

Fact Sheet ENERGUIDE FOR LOW INCOME HOUSEHOLDS

11 May 2005 [sic]

The government of Canada has cancelled the five-year \$500 million national low-income energy efficiency program, known as EnerGuide for Low-Income Households (EGLIH).

Energy retrofits can save a quarter to a third of energy bills – estimated \$500 or more annually for low-income households. Canceling EGLIH will deprive 130,000 low-income Canadian households of the benefits of significantly lower energy bills through reduced consumption.

Total net savings from EGLIH would exceed \$1 Billion. In effect, the government has cancelled a program that would make Canadians \$1 Billion richer, with much of the benefits going to those who can least afford steep increases in energy prices.

Last November, the Conservatives under Stephen Harper voted unanimously for

Bill C-66, which approved five-year funding for EGLIH. Now, just as delivery is getting underway, EGLIH has been cancelled.

No alternative is in place to achieve bill savings in Canada's low-income housing, which is generally older and less efficient than average. Cancellation of EGLIH also means an end to other program co-benefits, including: job creation and business opportunities in completing home energy retrofits, environmental gains, including reduction in emissions of atmospheric pollutants. (Average CO2 reduction per house: 3.4 tonnes/year.)

High energy burden for low-income households

- Rising energy costs are a serious threat. Home energy prices increased almost 60 per cent from 1992 to 2005, with much of the increase occurring since 2000 (see chart below). Home energy prices are generally expected to continue rising. All Canadians are impacted by the increases, but low-income households are hit hardest.
- While the average Canadian household spends 4 per cent of income on energy, households in the lowest income quintile (poorest 20 per cent) spend 13 per cent – a disproportionate, damaging, and growing energy burden. The graph below shows the energy burden for all Canadian households, 1997 and 2003, and the burden for each household income quintile.
- High energy costs hurt low-income Canadians by reducing funds available for food, clothing, and other necessities. High energy costs reduce housing affordability, forcing costly moves and contributing to homelessness. (Agencies that work with **low-income households report that high energy costs are the second-leading cause of evictions, after rent**; and a Toronto study found that two-thirds of low-income evictions result in homelessness.) Inability to pay energy bills is linked to extremes of hot and cold that are uncomfortable, unhealthy, and sometimes fatal. (emphasis added)

[Graph not reproduced]

- High energy costs in low-income housing also hurt others, including social housing providers and private landlords that include utilities in rent; energy utilities, which face increased collection problems and bad debts; and governments and social agencies struggling to address the basic needs of seniors, single-parent families, the working poor, and other low-income households.

Energy efficiency – a positive response

- Rising energy prices are unavoidable. But the good news is that energy bills can be moderated significantly by implementing cost-effective efficiency measures. Canada's long experience with EnerGuide for Houses demonstrates the feasibility of saving almost a third in space heating costs through measures such as air leakage control, insulation, and high efficiency heating systems. Besides the social benefits, a low-

income energy efficiency program captures environmental and energy conservation benefits that would otherwise be lost due to the retrofit barriers in this sector.

- Canada's EGLIH follows the lead of the United States, United Kingdom, and other countries that invest in proven cost-effective building retrofits to achieve long-term reductions in low-income household energy consumption and pollution. The U.S. programs have stood the test of time over three decades, supported by Republican and Democratic administrations, and combined with strong state-level and utility partnerships nation-wide.

Impacts of cancellation

- Cancellation of EGLIH will be a serious blow to a great many organizations, agencies, and businesses that have invested their own resources in good faith to begin delivering the program. This includes provinces and utilities that have planned their own low-income energy efficiency programs piggy-backing on EGLIH.¹ An on-again-off-again commitment is no way for the federal government to do business with the people of Canada, and will lead to cynicism among the many partners that are needed to ensure success. The federal government must follow through on its commitments.

¹ for example, see Saskatchewan's EGLIH-based low-income programs, Newfoundland and Labrador's \$6.9 M EGLIH top-up, a \$4.8 M investment by New Brunswick in an EGLIH partnership, and developmental work under way in Nova Scotia.

A change of heart

- In November 2005, Conservatives under Stephen Harper joined other parties in Parliament in unanimously supporting Bill C-66, legislation that included \$100 million a year over five years for a new program to improve the energy efficiency of Canada's low-income housing. Now, just as the program is getting under way, we hear that it is cancelled. This change of heart is difficult to understand. EGLIH is exactly the sort of practical, positive, cost-effective energy efficiency program that was endorsed in the party's election platform. EGLIH is about measurable, verifiable results.

Broad support

- A national low-income energy efficiency program is supported by a broad spectrum of interests, including the Federation of Canadian Municipalities and a number of individual municipalities (Calgary, Regina, Toronto, St. John's); Canadian Housing and Renewal Association and a number of housing providers and social organizations; Habitat for Humanity Canada; environmental organizations such as the David Suzuki Foundation; Green Communities Canada and its member organizations; the Low Income Energy Network; and the Canadian Energy Efficiency

Alliance, an industry organization. (See next pages for a complete list).

About Green Communities Canada

Green Communities Canada is a national association of 40 community organizations that deliver practical, innovative environmental programs and services. Green Communities are leading delivery agents for EnerGuide for Houses, Canada's home energy advice and rating system.

See: www.greencommunitiescanada.org; and www.egh.gca.ca.

[...]

Signatures of Petitioners

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per:

Albert Koehl

Charles Caccia, Senior Fellow, Institute of the Environment, University of Ottawa

Friends of the Earth
per:

Beatrice Olivastri, CEO

List of Supporting Materials

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