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The Honourable Chrystia Freeland
Minister of Finance
Ottawa, Ontario

February 19, 2021

Dear Minister,

I am pleased to send you the pre-budget submission of the Green Party Parliamentary Caucus.

I am tempted to urge you to brand your budget “Back to the Future.”

In the 2005 budget, we had strong climate plans to meet Kyoto, an excellent national child care plan, as well as a major commitment to Reconciliation through Kelowna. All were canceled within a year by the Stephen Harper administration. Sixteen years later we are not back to where we were.

As I review our priorities, I realize we are largely recreating capacity that the government used to have and abandoned. This is true of the Canada Water Agency, rebuilding virtually from scratch the freshwater science and policy we used to have. The same could be said of our urgent need for domestic production of PPE and vaccines. We also used to have affordable and convenient ground transportation options across the country, by bus and rail. We need those services now more than ever.

Some of what we lost was long before the Conservative win in 2006. The neo-liberal mania for privatization, deregulation and expanded trade eroded core capacity of our professional civil service. Trade deals that favoured Big Pharma extended patent protections and crippled domestic capacity in areas like vaccine production.

Some was lost due to the steady erosion of our public service starting in the early 1990s through a related neo-liberal fetish, treating the federal civil service as if it were a private sector business. That cultural shift in our civil service placed the highest value on managerial competence. We have lost core capacity to grasp science and departmental core mandates. Increasingly, across government, we have multiple examples of Regulatory Capture. The regulated industries have become the “client” of the regulator. I very much fear this is the case with the privatized NAVCanada and its planned closure of multiple control towers across Canada.

For decades, we have allowed the multinational corporate preference for exporting unprocessed raw resources, such as bitumen and raw logs, to undermine our productivity. Returning to an industrial strategy of more value-added exports and entering into lucrative relationships with US supply chains, emphasizing a rapid decarbonization of our shared economies, will be essential. We will also see an increased appetite from Canadians for more self-sufficiency, whether in producing our own PPEs and vaccines, in local food or in electric vehicles. Moving back to greater reliance on local production is another move back to the Future.

It will take decades to rebuild the core competency of the federal civil service, but we have to start somewhere. Step one is to acknowledge we have a problem.

For example, it is clear, whether we want to start post-mortems now or later, that the Public Health Agency lacked a robust staffing of people who understood the science of pandemic. We had internal bean-counters who inexplicably decided to scrap the Global Public Health Intelligence Network (GPHIN).

I am certain that was not a political decision driven by any Minister. In the same way, the dangerous lack of institutional awareness of the timeline for climate action is not politically driven. The climate advice from the civil service at Environment and Climate Change Canada is untethered from the urgent warnings of the Intergovernmental Panel on Climate Change (IPCC). The cutbacks in climate science in the federal government from the Harper years have not been repaired. I also fear that the deep tentacles of SNC Lavalin into the civil service, coupled with the historic commitment to nuclear energy within Natural Resources Canada, is why Small Modular Reactors (SMRs) are being considered at all.

It is entirely too easy for politicians of various parties to take cheap shots at each other for such failings. The larger reality is non-partisan. At multiple levels, government policy, infrastructure, and science, we need to rebuild what we once had.

The following recommendations are offered in the context of the Fall Economic Statement (FES) which, in many ways aligned with our views as a party. Therefore, acknowledging that we do not need to repeat support for most of the course you are setting, we will focus on the gaps and areas of disagreement. Please accept that this is not an attempt to be contentious, but to be helpful.

1. Health

It is time for the federal government to lead the country to a new Health Accord. The federal/provincial Health Accord should be based on the demographics and real health care needs in each province, rather than the current formula based on GDP growth.

We have learned much in the last year of living with a pandemic. We have seen the largest number of deaths taking place in Long-Term Care homes. Within this sector, the largest number of deaths have been in the LTC homes operated for profit.

While LTC is in provincial jurisdiction, a decision under the Canada Health Act that LTC must be provided on the basis of our universal, single payer system would save lives in ending “for profit” care homes. It has failed as a model and must be replaced with national standards of care and the non-profit approach to LTC. Just as your FES committed, the frontline workers in LTC must be properly paid.

We need to support more local production of personal protective equipment (PPE). We need to expand domestic capacity for vaccine production. The reduction of capacity in Canadian production has been accelerated by trade deals. We need to rethink the patent protections and restrictions for generic drugs.

It is time to act to ensure dental care is available to Canadians as part of our health care system. To act on the most urgent dental health issues, the service must be available to low-income Canadians. Work with the dentistry profession will be needed to extend it beyond those in the low-income category.

Universal pharmacare is a top priority. As was noted in the FES, the government is prepared to start with incremental steps. We urge that the pace be accelerated. The Hoskins Report recommendations should be followed and with urgency. In line with the FES reference to rare diseases, we support making the cystic fibrosis drug Tikafta an available drug covered by pharmacare.

Greens also support the call from the Diabetes Foundation to mark 2021, the 100th year since the discovery of insulin, with support to end diabetes. The Diabetes 360 strategy for \$150 million over seven years will be a welcome and significant step to eradicate this disease.

The mental health of Canadians has been stressed through COVID. It is time to place mental health services within the Canada Health Act. As a first step toward that goal, we urge that the budget remove any value-added taxes (GST, HST) from counselling services. As a second step uninsured low- and middle-income Canadians should be provided with free access to counselling services.

We also hope that the long-overdue commitment to a Suicide Prevention Strategy will be funded in this budget. It was years ago the amount requested was pegged at \$50 million. That may no longer be sufficient.

2. Child Care and Early Childhood Education

On December 7, 2020, as we observed the fiftieth anniversary of the Royal Commission on the Status of Women, it was striking that the commission's recommendations for child care remain unfulfilled:

"Because the provision of day-care centres is of major importance to the women of Canada, the Commission believes that the federal government should assume a continuing responsibility." (December 7, 1970)

Advance indications leave us hopeful that Budget 2021 may finally deliver on universal, affordable early education and child care. It is time to deliver a comprehensive short, medium and long-term policy road map based on the principles of universality, affordability, quality, inclusivity, equity.

Given the disproportionate impact on women through this pandemic, we look forward to a bold plan in the budget. An allocation of at least \$2 billion in Budget 2021 is required.

3. Respect for our Veterans: Restoring spousal survival pension benefits to those denied due to archaic "Gold-digger Clause"

The Superannuation Act continues unfair discrimination to veterans and others who served Canada if they married over the age of 60. Former finance minister, the Hon Bill Morneau pledged in a letter in early 2017 to eliminate this measure. This vestige of the Boer War, known as the "gold-digger clause," prevents the surviving spouses of veterans, ex-RCMP and others covered under the Superannuation Act of accessing pensions if their marriage occurred after the age of 60. There is no excuse for this discrimination, yet it persists. Please remove it in the 2021 budget.

4. Guaranteed Livable Income

It is time to expand and strengthen our social safety net to meet the demands of our transformed society. Greens have pressed for Guaranteed Livable Income (GLI) for years. Other terms have been used (Universal Basic Income), but the goal is similar. A universal payment set at a level that fits each region's specific cost of living will eliminate poverty; providing all Canadians with an income that covers basic needs.

As numerous studies have shown, poverty costs. It costs in health care. It costs in correctional services. It costs in a loss of human dignity. We cannot afford poverty.

In fact, this was another of the trail-blazing recommendations of the 1970 Royal Commission on the Status of Women:

"We recognize in principle the benefits of a guaranteed annual income for all Canadians. ...One method of providing a guaranteed annual income is through a negative income tax. Under this scheme, those whose incomes fall short of the statutory minimum are entitled to an allowance, just as those whose incomes exceed a statutory maximum have to pay an income tax. ...

"The negative income tax principle has already been introduced in the Guaranteed Income Supplement paid to old age pensioners. ..."

The negative income tax approach is, as the 1970 Commission noted, just one option. Negotiations between and among all orders of government – federal, provincial/territorial/municipal and indigenous - will be required to set the relative GLI and identify to be eliminated across government to make the system affordable.

Canada has dipped a toe in the water with COVID emergency responses. The nearly universal access to the now suspended Canada Emergency Response Benefit (CERB) demonstrated that it is possible. As the Parliamentary Budget Office found, applying a full Guarantee Livable Income would be more cost-effective than the CERB.

To begin with a commitment to Guaranteed Livable Income, we recommend that Budget 2021 commit to cost-share with the Government of Prince Edward Island the costs of eliminating poverty in this one province. The Government of Prince Edward Island has asked for federal help to implement the programme at an estimated \$270 million/year.

This is a golden opportunity to learn how to implement the programme, how to eliminate other poverty Band-Aid programmes and truly assess the benefits of a guaranteed livable income.

We also need to build on and institutionalize the greater collaboration across orders of government we experienced in the pandemic.

5. Affordable Housing

Affordable Housing is being threatened across Canada by money laundering, the use of residential real estate as a tax haven by the world's wealthy elite and the predatory practices of Real Estate Investment Trust (REIT's) which benefit from massive tax exemptions and large institutional and foreign investors.

We urge the government to protect existing affordable housing stock by removing tax exemptions for REITs, unless they are being used to protect affordable housing units, do more to regulate foreign investment in residential real estate, require restrictive covenants on affordable housing units built with taxpayer subsidies

to ensure that those housing units remain affordable. We also urge the government to protect renters by creating national standards to establish rent and vacancy controls, creating an empty home tax for foreign and corporate residential property owners that leave buildings and units vacant and increasing access to affordable properties for Canadians buying homes by regulating investors out of the market for residential real estate priced below median regional prices. We also urge the government to prioritize funding for non-profit and cooperative housing rather than subsidizing new builds by for profit developers.

6. Charities and Non-Profit Organizations

Work to respond to the Senate report on the needs of the charitable sector with recommendations to modernize the resourcing of charities was stalled due to the pandemic. At the same time, the charitable sector was put to increased work and heightened strains.

One widely supported measure is to remove capital gains from donations of shares in private corporations and/or real property to charities. Greens support this is an easy way to boost charitable giving. The same principle has been applied for decades to the donation of ecological land without negative impact.

We also wish to support the goals of the Senate bill, Bill S-222, sponsored by Senator Omidvar, The Effective and Accountable Charities Act. In summary, it proposes to modernize charities law by replacing the current language with “resource accountability,” making due diligence the key feature, rather than operational control, to pursue charitable purpose.

Charities would be able then to provide funding to non-qualified donors (non-profits that don’t have charitable status in Canada and charities in other countries), without onerous operational agreements and without having to have “direct control” over how the money is used. We urge Budget 2021 to make these changes to modernize our charities laws.

In the meantime, we support the calls from the charitable sector for a continuation of emergency, COVID-related supports for the sector.

Although not strictly a budget measure, whenever looking at federal policies toward charities and non-profit organizations, it is clear the sector suffers from not having a voice at the cabinet table. The only minister responsible for the sector is the minister for CRA. CRA’s role is in *policing* the sector; but no one advocates for the sector. We suggest the Minister of Heritage as a logical place for the work of charities and non-profits to be housed.

7. Arts, Culture and Broadcasting

Through COVID, the arts community has been hard-hit. Live performances of symphonies and theatres were simply not possible. Innovative productions moved on-line, such as the spectacular “Messiah Complex.” The challenge has been met with remarkable commitment to finding ways despite pandemic to raise our spirits through the arts.

Theatres across Canada have benefited from emergency funding. Post-pandemic, whether folk festivals or symphony orchestras, the Stratford Theatre Festival in Ontario, or the musical Festival de Lanaudière in Joliette, Que., more supports will be needed. If, as now seems possible, the normal 2021 season is also impacted, we must ensure supports through the Department of Heritage.

We must ensure that the sustainability of the Celebration and Commemoration Program of Canadian Heritage funding program is maintained. This allocation is crucial to celebrating the various identities of Canada, including the National Acadian Day.

Some key cultural projects have been waiting a very long time for much needed support. The Fredericton Playhouse has the support of the municipality of Fredericton and is still waiting for both federal and provincial to step up. The commitment being sought from the federal government is an estimated \$14 million.

As well, the perennial issue of funding for our national public broadcaster requires the kind of investment to allow productions from both the creative and journalistic aspects of the CBC and Radio Canada. Please ensure Budget 2021 enhances funding for public broadcasting. It will go a long way to assuage the concerns expressed when C-10, the new Broadcasting Act, did not specifically address the various threats to our national public broadcaster.

8. Protecting Minority Languages

Greens strongly support the efforts underway to protect and preserve Indigenous languages and to revitalize the Official Languages Act.

French-language school boards in a minority context are struggling to obtain adequate funding to meet the specific needs of French-language communities in a minority context. We propose that the Government of Canada increase its investments in the Official Languages in Education Program (OLEP) by injecting an additional \$455 million over four years for French first language education. This would bring funding for FL1 to just over \$1 billion under the OLEP.

This increase would support the development of Francophone and Acadian communities by enabling their children to receive an education in French equivalent to that offered to children of the linguistic majority.

In order, to truly meet the needs of French-language schools, the Protocol must also require full accountability from the Ministries of Education. Without this accountability, it is impossible for Francophone and Acadian minority communities to determine the purposes for which the funds are used.

9. Reconciliation

There is a long road ahead to achieve genuine reconciliation between the Indigenous peoples of this territory, now known as Canada, and the settler culture Canadians and our governments. The First Nations, Metis and Inuit peoples have been generous and patient. But our failures continue.

We welcome that the FES noted the need to respond to the Inquiry into Missing and Murdered Indigenous Women and Girls and Two-Spirit Peoples (MMIWG).

The FES commits “to invest an additional \$781.5 million over 5 years starting in 2021–22, and \$106.3 million ongoing to combat systemic discrimination against Indigenous peoples and expand efforts to combat violence against Indigenous women, girls and LGBTQ and two-spirit people.”

But many recommendations of the inquiry are ignored. Indigenous victims of sexual assault must be provided the counselling and advocacy demanded in the inquiry. Services and healing must be made available to perpetrators of violence. Law reform looking at our discriminatory network of laws remains to be delivered.

We note that the MMIWG Inquiry also called for a Guaranteed Livable Income, as we do in this submission. It also called for safe and affordable transportation between communities, particularly in rural and remote areas, as we do in this submission. It calls for an end to remote work camps, “man camps,” such as those now being paid for through public funds in the building of the TMX Pipeline, as we do in this submission.

We support the steps currently being taken to redress the scandal of the lack of adequate housing, clean drinking water and equal access to services for Indigenous peoples, noting that these efforts still fall short of what is required.

10. Indigenous Land Stewardship

It is time to ramp up the ways in which conservation and land protection can be integrated with reconciliation with Indigenous peoples. The Indigenous Guardians programme meets all of these objectives. One important component is that the Indigenous Guardians program and Funds for the establishment of Indigenous Protected and Conserved Areas (IPCA) should both be adequately funded and measures taken to ensure there is a coordinated process between the two. There has been overwhelming interest from Indigenous communities for advancing conservation, as shown by the over \$800 million worth of proposals to the Challenge Fund, which only had \$175 million to disperse.

We urge that this programme be massively expanded to meet multiple objectives to which your government is already committed.

Some specific expenditures to obtain lands to meet multiple objectives – conservation , enhancing national parks, co-management with Indigenous peoples – are currently urgent on Vancouver Island.

The E and N Land Grant (originally named after the Esquimalt and Nanaimo Railway) Area on the South East Coast of Vancouver Island is a prime example of an area in need of an IPCA. The E and N railway was part of the deal for BC to join Confederation in 1871. Coal baron and colonial government Cabinet member Robert Dunsmuir was granted 8,000 square kilometres – comprising twenty percent of Vancouver Island to build the railway. The land grant ignored Indigenous rights and title including violating pre-Confederation treaties. An IPCA in the land grant area would be a significant step in reconciliation with the affected First Nations.

11. Canada Water Agency

Greens fully support the creation of the Canada Water Agency. This must be understood as a major investment. In terms of capacity to protect and conserve our fresh water resources, Canada has dropped the ball.

At the same time, the threats to water and to infrastructure due to increased water threats and the climate crisis increase the need for a strong science base dealing with freshwater.

In the 1980s when I worked at Environment Canada, the Inland Waters Directorate had 1250 employees and a budget of some \$60 million. This has all but disappeared. As well, Environment Canada had a Canada Water Act Fund of \$20 million per year which was used to negotiate numerous interjurisdictional agreements. Obviously, in today’s dollars we are talking about needing at least \$170 million/year to rebuild and maintain capacity. Assuming that approximately \$100 million/year can be found within existing budgets (Environment Canada and Climate Change, NRCAN and a few others), we urge the budget to include at least \$70 million/year

in new money to deliver on the promise of a strong Canada Water Agency.

12. International Development Assistance

Canada has fallen behind most of the donor community of industrialized countries. The target to eliminate global poverty was set in 1969 by former Prime Minister Lester B. Pearson in his work for the global community. The “Pearson target,” as it is known around the world, was for every wealthy nation to pledge 0.7% of its GNI to Overseas Development Assistance (ODA). The target has been met, and in some cases exceeded by the United Kingdom, Norway, Sweden, Luxembourg, Denmark and the Netherlands. Canada lags behind at a current level of 0.28% of GNI.

Meanwhile, we have committed to the Sustainable Development Goals. The first among the seventeen Sustainable Development Goals is to end poverty.

The 2021 budget should embrace what we, as a nation, have already promised and ensure that, at least, by 2030, we have met the Pearson target.

Many in the development community are calling for Canada to commit one percent of COVID relief to development assistance. That would be a good start for 2021.

13. Restore Scientific Capacity Throughout the Government of Canada

Major cuts in the Harper era have not been reversed in a number of departments. While the Department of Fisheries and Oceans has made efforts to restore capacity, the Canadian Wildlife Service, Parks Canada and climate science have not been restored.

In 2000, under the government of the Rt. Hon. Jean Chretien, \$110 million was placed in the Canadian Foundation for Climate and Atmospheric Sciences. In 2011, the funds ran out, after having granted \$118 million in research grants. It no longer exists, depriving a network of university-based researchers across Canada of funds for needed research. Environment Canada’s scientific capacity for climate science, including adaptation, was also diminished and has not been restored to its earlier strength.

Budget 2012 cut ten percent of Parks Canada’s budget leading to eliminating all the science-based positions. The Parks Canada Agency has not asked for funds to be replenished to re-hire scientists. Nevertheless, we need to replenish scientific capacity. The same story applies to the Canadian Wildlife Service where there is inadequate staffing to meet the requirements of the *Species at Risk Act*, as was made painfully clear in several recent audits by the Commissioner for Environment and Sustainable Development.

As noted, the Public Health Agency had too many people in the bureaucracy who did not have a good grasp on the basic science. Senior scientists in the PHAC had to work non-stop as there was too little depth of knowledge in junior positions.

Greens propose that the scientific deficiencies in capacity be dealt with across all departments through a focused fund for core science replenishment in key agencies: Environment and Climate Change, PHAC, Health, DFO and potentially others of \$200 million/year, with a replenished climate science grant making agency of \$200 million over a ten-year period.

14. Parks Canada

In addition to failing to restore scientific capacity in Parks Canada, basic infrastructure needs have gone unfunded.

The Gulf Islands National Park Reserve is the only national park in southern Canada that does not charge any access fee. This is because Parks Canada never built a Visitors Centre. There is no publicly accessible tourist focal point for the park.

The area has also long been the in the process of finalizing plans for a National Marine Conservation Area. The negotiations with multiple First Nations will take another year or so to complete. The need for a Visitors Centre will only increase with an NMCA.

Meanwhile, in an area like southern Vancouver Island, properties that could be suitable are almost impossible to find. One such property is now available – 1850 Lands End Road. Local municipal government and conservationists have identified a 24.5 acre property with marine access. It is an ideal property to meet the multiple requirements for a Visitors Centre for a terrestrial and marine national park. Boaters can dock at the existing wharf, check in and buy their permits. The property also has easy road access, located very close to the airport and ferry terminal. The existing building can be easily re-modeled to accommodate a Visitors Centre. The property is listed at \$18 million, but the local officials believe it can be purchased for less. We ask for a \$15 million commitment towards the purchase of the property.

15. Post-pandemic Tax Reform

Pursuing revenues hiding off-shore, closing the stock dividend loophole, eliminating business deductions for meals and entertainment, and increasing the marginal tax rate for the wealthiest 1%, bringing in a wealth tax are all feasible sources of revenue as the economic recovery post-pandemic assists in economic recovery. To ensure fiscal sustainability we need bold transformational tax reform.

We propose that Canada lead a post-pandemic global collaboration, engaging the G-20, in innovative shared approaches to restore our economies through a 21st Century equivalent of the Bretton Woods conference.

16. Improved Access to Funds to Respond to Climate Disasters

The Disaster Mitigation and Adaptation Fund has proven effective but must be topped up and improved to fully protect Canadians from climate extremes. It requires a dedicated mechanism for municipalities and First Nations to access emergency funds when responding to extreme weather events such as fires and floods and an elimination of the \$20 million minimum project eligibility threshold so communities of all sizes can access funding.

Many municipalities, from Charlottetown to St. John to the Muskokas face increased flood risks. We desperately need leadership on flood mitigation in New Brunswick and elsewhere. Across Canada, we need funding to help homeowners and business owners adapt to the impacts of climate change.

Adaptation to climate change includes the need for assistance to regions impacted by sea level rise and storm surges, from Charlottetown to the lower mainland of British Columbia.

We note the many references in the mandate letters to enhanced preparedness for flood events. We support this and hope funds will be rolled out efficiently for much needed revamping to flood-proof key infrastructure.

Missing from the existing commitments is a commensurate level of preparedness for increased forest fires. We need funds for the purchase of more water bombers. We need a federal programme, grounded in federal responsibilities in the Constitutional powers under Peace, Order and Good Government, to get workers back in the woods to create fire breaks near vulnerable communities. The ambitious plans to plant two billion trees serve multiple ends, including reducing fire risk. We need urban tree planting and ecologically appropriate species to enhance carbon sequestration and biodiversity.

17. Seizing the Opportunity of a Low Carbon Future

We are presented with the largest opportunity, perhaps ever, to improve Canada's productivity and competitiveness.

This is reflected in the Fall Economic Statement and December 11, 2020 climate announcement "Healthy Environment; Healthy Economy."

As was stated in the FES: "Achieving net-zero emissions by 2050 is a pan-Canadian project to transform our economy, and is a commitment Canada joins with over 120 other countries."

Greens urge you as Minister of Finance and Deputy Prime Minister to demand a briefing by expert climate scientists. Expert climate scientists will confirm:

The stated objective is the wrong goal.

Net-zero by 2050 will not guarantee a livable climate. Net zero by 2050 will not meet our Paris commitment to ensure global average temperature is well below 2 degrees and preferably not above 1.5 degrees C. As a goal, in the absence of an aggressive effort well before 2030, net zero by 2050 is actually dangerous.

The hard truth is that net zero by 2050 could be achieved and still fail to ensure that human civilization survives through this century. We could be locked into 3-5 degree global average temperature increase while *still* reaching net zero by 2050.

The critical finding of the IPCC Special Report on 15 Degrees (October 2018) is "In model pathways with no or limited overshoot of 1.5°C, global net anthropogenic CO₂ **emissions decline by about 45% from 2010 levels by 2030...** reaching net zero around 2050 ..." (emphasis added).

Failure to achieve deep cuts well before 2030 will make any 2050 goal irrelevant – too little – too late.

Now is the time to be bold. U.S. President Joe Biden has called for a Climate Leaders' Summit for Earth Day 2021. Just as in 2005 when former Finance Minister Ralph Goodale's budget predated Environment Minister Stephane Dion's climate plan, this budget could set the stage for Canada to make the right commitment to align with the science.

By Earth Day 2021, the Prime Minister should announce that by 2025 Canada will be 30% below 2005 GHG emission levels and by 2030 we will be 60% below 2005 levels. Nothing less is consistent with the IPCC warnings.

To make those pledges, we will focus the climate recommendations for the budget on the areas as yet unaddressed in either the FES or the "Healthy Environment; Healthy Economy" document.

These are:

- Just Transition for fossil fuel workers

- End subsidies for fossil fuels, immediately
- Reject any expansion in fossil fuel operations or infrastructure
- Rebuild a network of affordable ground transportation between communities across Canada
- Game changing investments to zero carbon aviation
- Supporting solar roofs and other renewables in residences and across institutional buildings
- Encourage renewable energy installation in distributed systems across Canada
- Engage Indigenous communities in renewable energy and pumped storage
- Carbon sequestration through soils and prairie long grass management
- Build a national electricity corridor for 100% renewable power

18. Just Transition Legislation and Funding

A Just Transition Act was a campaign pledge from the Prime Minister in the 2019 campaign. It must adhere to the principles of the Coal Sector Workers Just Transition study commissioned in the previous parliament. Its core principles include full inclusion of impacted individual workers and communities in decisions about their future, pension bridge funding for workers near retirement, up-skilling for workers who require some additional training to move to clean industries, and a Jobs Bank to ensure every worker has a job at a pay level that allows them to maintain their quality of life through the transition. Bearing in mind that tens of thousands of workers have been laid off in the interest of automation in the fossil fuel industry with none of these supports, it is no wonder employees in the sector are fearful. Government leadership to protect the interests of the communities and workers dependent on fossil fuels is a key commitment. The accelerated Canadian exit from fossil fuel dependency must have public support from the sectors and regions most impacted.

19. End Fossil Fuel Subsidies

Despite the 2009 pledge from former Prime Minister Stephen Harper and the 2015 and 2019 pledges from the Liberal platform to end fossil fuel subsidies, such subsidies continue to increase.

Finance Canada shamefully refused to provide former Auditor General Michael Ferguson with its working numbers to define fossil fuel subsidies. Clearly the use of the word “inefficient” as a modifier for “fossil fuel subsidies” has allowed for much obfuscation.

To be clear, no public funds should be used to increase or sustain production of fossil fuels. Even though the industry is legally responsible for cleaning up abandoned oil wells, we supported federal funds allocated in 2020 to assist workers in the sector, through the clean-up of abandoned wells. It could have been viewed as an industry subsidy but it did not increase or sustain fossil fuel production.

The 2021 budget must end fossil fuel subsidies:

- Cancel supports for LNG.
- Cancel subsidies for fracking.
- End the last ACCA for the oil sands.
- Wind down the TMX project and stop the waste of another \$10 billion or so on building a pipeline to drive up GHG.

(Note: PBO found that meeting net zero by 2050 will ensure a massive loss on the government’s investment in the TMX pipeline.)

20. Follow the First Rule of Holes – Stop Digging.

Commit that the federal government will not permit or allow a single additional project, whether terrestrial or off-shore, to expand fossil fuel production.

21. Invest in Affordable, Modern Low Carbon Intra-city Ground Transportation

Canada's system of public transport falls somewhere below most developing countries. Bus service has disappeared from most provinces. The threat to marginalized people of hitchhiking was highlighted in the Inquiry into Missing and Murdered Indigenous Women and Girls as a key recommendation:

“The need for more frequent and accessible transportation services to be made available to Indigenous women.”

The lack of predictable, low-carbon and convenient transportation between cities is dangerous for the poor, while boosting GHG as people have no choice but to fly or drive. Budget 2021 should launch a national transportation strategy with a goal of reaching zero-carbon public ground transportation everywhere in Canada by 2040. Rail will be the hub, with spokes of light rail and electric bus connections.

We must find a way to maintain the coach bus sector, such as Wilson's and Maritime Bus, as well as those in Ontario (Greyhound, Great Canadian Coaches, 417 Bus Lines, McCoy Bus lines), in Alberta (Pacific Western, TRAXX Coach), Manitoba (Beaver Bus and Moose Mountain) and Saskatchewan (Prince Albert Northern).

Funds to keep the coach lines afloat so that they can be part of the larger transportation strategy are urgently needed. They could be part of the climate funding already announced. Some funds should come from the provinces from Safe Restart monies. The New Brunswick government has not solved the threat to Maritimes Bus Lines with monies allocated from Safe Restart, but have protected some remote routes.

A national strategy must include service to rural and remote communities. Every Canadian must have access to reliable, low carbon transportation options at affordable rates. The newly formed Coast to Coast Bus Coalition is requesting \$8 million/year to keep the sector afloat with a vision to create a complete network for ground transportation linking buses to trains.

VIA Rail needs investment to purchase more efficient engines, build better track (that it can own) in key pinch points where freight delays passenger travel, and offer a better tourism product for Canadian and international visitors. The only recent federal government statements mentioning passenger rail outside the Windsor-Quebec Corridor called for VIA Rail to improve access to national parks.

Greens propose immediately that attention focus on the Vancouver Island route. The E and N Railway, improving access to the Pacific Rim National Park (while coincidentally massively improving public transit in the Victoria Capital region) as well as restoring service from Halifax to Sydney, Nova Scotia to assist visitors reach the Cape Breton Highlands National Park and Fortress Louisbourg. The most historic route in Canada was given under the Mulroney governed to a private operator, Rocky Mountaineer. Ensuring that VIA Rail can share that track at an affordable price would access Banff as well as the historic spot of the Last Spike and the circular tunnel at Kicking Horse Pass.

The recent purchase of Bombardier's rail division by Alstom for \$8.4 billion opens the possibility for a federal plan to decarbonize freight and passenger rail. Alstom manufactures hydrogen powered fuel cell engines in its plants south of the border. It has just completed a major sale to Austria. There is much local interest in

Thunder Bay to protect the jobs at Bombardier's plant there in a shift to the Transcontinental VIA Rail lines being powered by fuel cell engines, built in Thunder Bay.

22. Hydrogen Strategy

Canada needs a hydrogen strategy to ensure hydrogen is available from non-carbon sources. This will take some time to develop from hydro, wind and solar. Failure to plan for the need for green hydrogen could unintentionally lock in fossil fuel emissions in the formation of hydrogen fuel.

23. Game-changing Investments to Zero Carbon Aviation

While much of the government focus will be on how to assist large airlines and airports coping with the financial hit of the pandemic, we also have an opportunity to tackle one of the world's largest sources of unregulated GHG emissions – air travel.

Vancouver Island's Harbour Air has pioneered the development of a fully electric airplane. While it cannot provide air travel over long distances, it could have a huge impact globally. Short haul flights of 780 km or less make up an astonishing 85% of flights world-wide.

Harbour Air received some support from NRC, but has invested over \$4 million of its own money. In December 2019, Harbour Air demonstrated the first ever commercial, carbon-free flight. Harbour Air needs a \$110 million investment to convert its whole fleet of forty planes, as well as to install electric recharging hubs at all its destinations. Supporting their efforts will bring Canada a commercially viable world-beating export opportunity.

This first breakthrough from a relatively small float plane commercial operation holds the key to significant GHG reductions. Canada's government needs to invest and get the first carbon-free airline operational well ahead of schedule.

24. Enhance Energy Retrofit Programmes to Include Renewable Energy

We fully support all the announced plans for retrofitting buildings for energy efficiency – aiming at net zero building.

The ability for buildings, whether residential, commercial or institutional, to generate their own electricity – to become carbon zero or even carbon negative – is a major opportunity. The obvious and relatively easy option is to encourage the installation of solar panels on any and all roofs across Canada. Depending on location, some building owners may be able to install wind, geothermal or small-scale hydro. The goal should be to engage as much home-grown, distributed renewable energy as possible, so the programme should be flexible to encourage renewable energy investments.

Renewable energy investments in Indigenous communities have already been demonstrated to be an excellent fit in economic development and should be encouraged. Indigenous communities on lands already having empty pits or reservoir capacity should be encouraged to develop battery storage in hydro capacity. Pumped storage in as many locations as possible will convert intermittent renewable energy to baseload.

25. Build a National Electricity Corridor for 100% Renewable Power

The Canadian Infrastructure Bank has been making key investments in needed inter-ties to ensure green, renewable energy can be easily wheeled from one province to another, including to the Territories. This major national infrastructure will need significant planning to deliver a fully integrated grid, east-west and north-south by 2030. Consultations with Indigenous peoples are critical. The link between eastern Manitoba and western Ontario, for example, will require advanced review and free, prior and informed consent from a number of First Nations. Siting and approval will be a long and difficult process, but it is necessary to ensure the modern functioning of a grid delivering 100% renewable electricity to an increasingly electrified country. As the internal combustion engine is replaced with EV's, we must ensure our infrastructure is ready.

26. Carbon Sequestration Through Soils and Prairie Long Grass Management

The potential for long grass prairie and agricultural soils to sequester carbon rivals that of forests. Engaging farmers in work to sequester carbon from which they can obtain financial rewards is a win-win-win for the government, for climate and for the farming community.

The government should invest \$100 million/year in assisting farmers sequester carbon.

27. No to SMRS

The federal investments in small and modular reactors are an unjustified waste of public funds. These reactors do not exist as a commercial reality. The beneficiary of government largesse is a consortium led by SNC Lavalin. The monies spent on these reactors even without producing a kilowatt of power, represent an opportunity cost. Known and available technologies will win on any cost-benefit analysis compared to SMRs.

Please halt the funds to SMRs, and conduct an evidence-based review in which public money will only be committed based on set criteria:

- Per dollar invested, how many tonnes of GHG are avoided/reduced?
- Per dollar invested, how many jobs will be created?
- From when the first dollar is invested, when will benefits accrue?

On this basis, it will be quickly apparent that the SMR investment is the worst possible choice. Existing commitments in energy efficiency and renewable energy will be far effective in each category.

28. Assistance to Farmers

Along with a broad cross-party alliance of MPs, we support the call for a limited statutory deemed trust to assist farmers producing perishable goods in cases of insolvency. The need for this protection has arisen due to the pandemic, but the logic applies in all times to protect vulnerable farmers.

We also, consistent with the measures to improve carbon sequestration in soils, urge that programmes to promote greater food security in Canada be made a priority for Agriculture and Agri-Food Canada. The current model is overly focused on environmentally destructive, industrial production for export, instead of more climate-resilient, diversified production to meet local needs.

29. Eliminate the Proposed 10% Tax on Boat Sales

Based on the widespread negative reaction to this pre-COVID proposal, we hope that it is no longer being advanced. To ensure it is not, we wish to repeat our objections.

We are convinced the tax will fail to produce tax revenue, but will decimate an important economic sector in Canada and cause job losses. We urge that a better revenue source, with the added benefit of assisting in preventing the abandonment of vessels creating costs for governments at many levels, would be to collect a \$100 annual fee to ensure boats and owners are registered and licensed.

30. Advance Equity in Society; Supporting Black Entrepreneurs

Increase investments in the business program for Black entrepreneurs – transition from loans to grants considering that many entrepreneurs are not in a position to take on more debt. It is critical that we address the unique needs of Black business owners and entrepreneurs across the country, as a robust collaboration between government, financial institutions, and Black-led business organizations and the businesses themselves.

Conclusion

Please consider each of these proposals, ranging from high level and long term to rather short term and granular.

As noted at the outset, we have concentrated on areas of gaps and proposals we hope are complimentary to your priorities.

I would deeply appreciate any opportunity to discuss these proposals with you.

Thank you for your extraordinary level of hard work and dedication over the last year.

With all good wishes,

A handwritten signature in black ink, appearing to read "Elizabeth May". The signature is fluid and cursive, with a long horizontal stroke at the end.

Elizabeth May, O.C.
Member of Parliament
Saanich-Gulf Islands
Parliamentary Leader of the Green Party of Canada

P.S. Désolé: Nous enverrons la version française sous peu.