



CANADA'S **ECOFISCAL** COMMISSION  
Practical solutions for growing prosperity



# 2015 ANNUAL REPORT

## ec•o•fis•cal policy /ekō'fiskəl/ adj.

An ecofiscal policy corrects market price signals to encourage the economic activities we do want (job creation, investment, and innovation) while reducing those we don't want (greenhouse gas emissions and the pollution of our land, air, and water).

### VISION

A thriving economy underpinned by clean air, land, and water for the benefit of all Canadians, now and in the future.

### MISSION

To identify and promote practical fiscal solutions for Canada that spark the innovation required for increased economic and environmental prosperity.

For more information about the Commission, visit **Ecofiscal.ca**

# LETTER FROM THE CHAIR

**As an economist, I believe that good policy is central to prosperity. That was the idea behind Canada's EcoFiscal Commission. We would be economists first and foremost, providing sound policy advice on how strong economies and healthy environments are interdependent.**



It turned out that other people shared this belief. When funding from some of Canada's most prominent family foundations came through in the fall of 2013, we were ready to put this belief into action.

Before long, we had assembled some of the best economic- and policy-savvy minds this country has to offer. These people wrote the book on economics in Canada — quite literally in the case of Professor Emeritus Richard Lipsey, whose textbooks have been on students' reading lists for decades.

Finding an enthusiastic Advisory Board didn't take much arm-twisting either. Jean Charest, Mike Harcourt and McKinsey & Company's Dominic Barton said yes pretty much as soon as I popped the question. Other leaders of industry, civil society and the environmental sector were quick to join them.

Today, we have the CEO of Suncor Energy on the same advisory board as the CEO of the David Suzuki Foundation. Former political opponents — Jean Charest, Paul Martin, Preston Manning — are not only in the same room but on the same side. And that's exactly the point: this is a trans-partisan endeavour.

Now, one year into this five-year project, we are more successful than I had the audacity to imagine. Following the release of *The Way Forward*, the Globe and Mail came out with an editorial in favour of carbon pricing. Ontario's Kathleen Wynne referenced us when she spoke about carbon pricing to the conference of provincial premiers in Quebec City. And at an EcoFiscal event in Calgary — the heart of Canada's oil and gas industry — the CEO of one of Canada's largest energy companies publicly stated his support for carbon pricing.

We've enriched a public discussion that is gaining more traction every day. Meanwhile, we're fielding requests for quiet conversations behind the scenes to help governments think through sensible policy design. All of this suggests to me that we are achieving exactly what we set out to do.

It's certainly been quite a year, but with an ambitious agenda lined up for 2016, the work is just getting started.

From the beginning, I've known that such an ambitious shift in Canada's fiscal policy could not be accomplished by one person or by one group. It requires thought leadership from every corner of this country and the support of citizens who embolden our governments to make the right decisions.

Canada's EcoFiscal Commission added a new voice, and I believe a necessary one, to our national dialogue on the economy and the environment. But we could not have done this without the vision and support of the many individuals who came together to make it all possible.

On behalf of the Commission, we are grateful for the commitment of so many to seek a brighter path for Canada's economic and environmental future. And we are honoured to help chart that path alongside you.

**Chris Ragan, Chair, Canada's EcoFiscal Commission**

McGill University, Department of Economics;  
former Clifford Clark Visiting Economist, Finance Canada;  
former Special Advisor to the Governor, Bank of Canada

# LAUNCH OF THE COMMISSION

**On November 4, 2014, Canada's Ecofiscal Commission was launched: an organization driven by top economists and backed by industry leaders and political heavyweights. Its goal: to advance better policy for both Canada's economy and its environment, recognizing that these twin ambitions are ultimately inseparable.**

The Commission's impressive diversity was on display at our inaugural Toronto event, with Chair Chris Ragan flanked by former Reform Party leader Preston Manning, B.C.'s former NDP Premier Mike Harcourt, and Jack Mintz, the foremost tax policy expert in the country.

## **SMART ENVIRONMENTAL POLICY IS SMART ECONOMIC POLICY**

As well as introducing a new organization to Canadians, we introduced a new word — ecofiscal — describing policies designed to improve both economic performance and environmental sustainability.

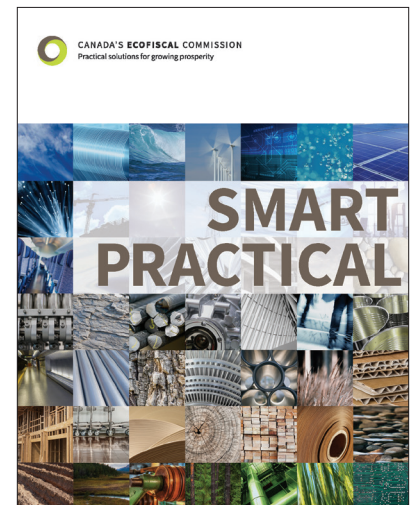
From carbon emissions to water pollution to traffic congestion, many of the environmental challenges we face today are equally economic challenges.

The price we pay for oil doesn't account for the smog and greenhouse gases created when we hit the gas pedal or turn up the furnace. Water prices don't cover the costs of treatment, while many Canadians pay no direct fees to have their waste

hauled away to landfill. The resulting pollution costs us in lost income, lost productivity, poorer health and shorter lives — not to mention the cost of cleaning up the damage. Meanwhile, wasteful consumption depletes the natural resources that fuel Canada's economy.

The Ecofiscal Commission is founded on the belief that solving these issues requires new approaches to harnessing the power of markets.

It comes down to Economics 101. Do we want less greenhouse gas emissions, air pollution or water pollution? Then we should price them, creating financial incentives to



*From left to right: Preston Manning, Chris Ragan, Mike Harcourt, Jack Mintz*





“These are serious people  
with a serious agenda.”

Bruce Cheadle, *Financial Post*, November 4, 2014

use resources more efficiently and trigger the kind of innovation most required to compete in a 21st century economy. Meanwhile, the revenues generated from those policies can be reinvested wisely, to reduce income taxes, to support R&D, to build critical infrastructure — there are many choices.

### SMART, PRACTICAL, POSSIBLE

At our launch, we released *Smart, Practical, Possible: Canadian options for greater economic and environmental prosperity*. This inaugural report makes the economic case for a new suite of ecofiscal policies that align Canada’s municipal, provincial and national economic ambitions with environmental imperatives.

Right now, Canada lags behind most OECD countries in the use of ecofiscal policies. And — perhaps not coincidentally — we have also fallen behind in innovation, productivity, growth and environmental performance.

Drawing on international examples and case studies, the Commission’s report argues that market-based measures can achieve environmental objectives more cost effectively than regulations or subsidies. They offer businesses and individuals flexibility in how to reduce their environmental impact. And in doing so, these ecofiscal policies will drive innovation, investment and growth and better protect our national wealth.

“This is the great policy opportunity of our generation,” said Commission Chair Chris Ragan. And now is the best time to get started.

### CATALYZING A CONVERSATION

The new Commission made headlines, with media coverage across the country. The *Globe and Mail*, *National Post* and many regional papers ran stories. CBC, CTV and Global covered the launch, as did influential websites like Bloomberg Business and iPolitics.

The *Globe and Mail* published an editorial calling ecofiscal measures the most effective and efficient approach to curbing carbon emissions. Meanwhile, op eds authored by Ecofiscal commissioners and advisors appeared in the *Globe and Mail*, *Calgary Herald*, *Montreal Gazette* and *Halifax Chronicle Herald*.

By bridging the gap between economics and the environment, the Commission carved out a pragmatic middle ground. As our report made clear, Canadians have a strong economic interest in protecting our environmental assets and balancing our ecological books.

That message had particular resonance coming from staunch fiscal conservative Preston Manning. “We can’t continue to engage in a polarized environment-versus-economy argument,” he said in a *Globe Debate*. “You can’t take more out of a natural system than goes back into it.”

Almost immediately, the Commission gained a reputation as an influential thought leader cited by media and policy-makers alike. Within weeks of our launch, Nova Scotia’s Tax and Regulatory Review released a report that quoted the Commission extensively in arguing the case for pricing pollution.

“Whether one buys into the concept  
or not, the arguments presented in the  
commission’s report cannot be ignored.”

Deborah Yedlin, *Calgary Herald*, November 7, 2014

Within three months, we had 2,671 Twitter followers. Thousands of visitors clicked on our website each month, and thousands downloaded the report.

The foundation was laid. Now it was time to dig deeper into the issues.



IN THEIR OWN WORDS:

# PRESTON MANNING, ECOFISCAL ADVISOR

**I'm often asked how I reconcile conservative economic values with environmental interests. For me, there's no inherent philosophical conflict. After all, "conservation" and "conservative" come from the same root.**



We need to find a way to move past the economy-versus-environment way of thinking. Fiscal conservatives believe we can't live beyond our means. That's an ecological concept as well. **We have to balance our ecological budget to make sure we don't pass on environmental deficits and debts to future generations.**

I think conservatives, more than anyone else in the political arena, profess to believe in market mechanisms. Harnessing those mechanisms is one of the best ways to approach environmental protection. One of the first steps is to get full-cost accounting of whatever economic activity you undertake. That means ascertaining the environmental impacts of that activity, identifying measures to avoid or mitigate those measures and incorporating the costs of those measures into the price of the product.

That's the focus of the Ecofiscal Commission. And that's why I wanted to be part of it and contribute what I could as a member of the advisory board. **Environmental protection really is a trans-partisan issue, bringing together different ideological and political perspectives.**

The time is right. There's lots of evidence that shows that high-performing economies invest much more in environmental protection and conservation. Meanwhile, here in Canada we're seeing a growing number of policy makers who are interested in these types of issues. They don't have to be convinced that something needs to be done. The question now is how we're going to do it.

That's exactly what the Ecofiscal Commission's reports explain. In 2015, those reports focussed a lot on carbon pricing. But this concept of incorporating the cost of ecological impacts into the price of a product applies to any kind of pollution or environmental problem. In the coming years, I'm looking forward to the Commission's work on market-driven solutions to other issues like water conservation and municipal waste, as well as how to internalize the environmental costs of non-carbon energy sources such as hydro, nuclear, solar, and wind.

Balancing the ecological budget is something folks of every political stripe can get behind. **It's not an objective that can be achieved all in one jump. But if we do it right, we can have jobs, incomes, innovation and a healthy environment.**

**Preston Manning**

President and CEO, Manning Centre;  
former Leader of the Official Opposition, Canada

# THE WAY FORWARD

In April, our first targeted report tackled what is arguably the biggest environmental issue of modern times: the greenhouse gas emissions driving global climate change. To keep from falling behind internationally, Canada needs a practical, cost-effective solution — and the longer we wait, the more the costs mount.

## THE CASE FOR CARBON PRICING

In *The Way Forward: A Practical Approach to Reducing Canada's Greenhouse Gas Emissions*, the Commission suggests that smart climate strategies must include a price on carbon. Our report argues that, if designed well, both carbon taxes and cap-and-trade systems can do the job. Both provide a financial incentive for businesses and households to curb carbon emissions.

The devil, as always, lies in the details. The report tackles that devil, laying out the principles of sound pricing policies:

- ▶ **Make the coverage broad, applying it to as many emitters as possible.**
- ▶ **Ramp up the price over time. A lower price now gives businesses and households time to adapt, while a higher price later ensures significant carbon reductions.**
- ▶ **Finally, craft carbon-pricing policies at the provincial level, rather than impose a one-size-fits-all federal solution. Ultimately, having a single carbon price across the country is both sensible and efficient. Pragmatically, however, rooting policy at the provincial level paves**

**the way for more timely action and enables policy design that respects and responds to regional differences and details.**

The report attracted strong media attention, with print and broadcast coverage across the country. The Montreal Gazette cited the

report in an editorial calling for climate leadership. At the same time, opinion pieces by Ecofiscal commissioners and advisory board members appeared in Maclean's, the Globe and Mail, the National Post, the Calgary Herald, Halifax's Chronicle Herald and other media outlets.

## TAKING THE MESSAGE ON THE ROAD

When you bring oil industry leaders, environmentalists and chamber of commerce analysts together to talk carbon pricing in the heart of oil country, you might expect sparks to fly. Instead, what emerged was startling consensus.

Our Calgary event in May saw Steve Williams, President and CEO of Suncor (and a member of the Ecofiscal Advisory Board)



Steve Williams, President and CEO of Suncor (and a member of the Ecofiscal Advisory Board) standing up for carbon pricing at our May 2015 event in Calgary.

stand up for carbon pricing. Climate change is happening, he told a packed audience, and a broad-based carbon price is the right answer. "We can't have a healthy economy without being leaders in environmental performance," he said. "And we can't have a healthy environment without having a healthy economy."

That message was reinforced in a Calgary Herald op ed authored by Williams and fellow panellists Justin Smith and Chris Ragan. A broad-based carbon price would provide crucial certainty to business, they said. And this is the right moment for the province to move forward, securing Alberta's long-term position as a supplier to the global oil market.

A few weeks later, a lively panel discussion in Halifax examined the business of carbon pricing in Atlantic Canada. High-profile academics, industry leaders and environmentalists





**“Canada’s Ecofiscal Commission ... has managed to rope in an impressive array of academics, former politicians, business leaders and environmental NGOs to urge the country forward on climate change politics.”**

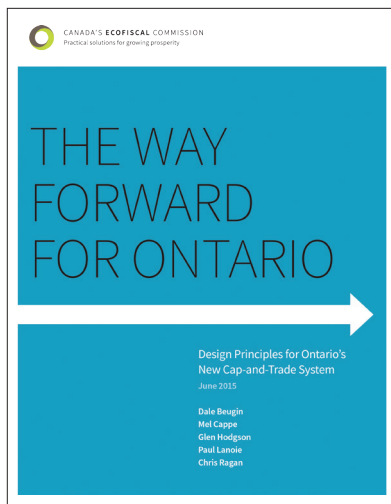
Gillian Steward, *Toronto Star*, June 1, 2015

joined Ecofiscal’s Chris Ragan and Elizabeth Beale to explore a regional climate policy and what it might mean for industry and consumers.

## THE WAY FORWARD FOR ONTARIO

In June, the Commission provided the Ontario government with practical guidelines for the province’s cap-and-trade system. Among other things, *The Way Forward for Ontario: Design*

*Principles for Ontario’s New Cap-and-Trade System* suggested auctioning emissions allowances in those many sectors in which businesses can pass on costs. Free allowances should be limited only to industries that are especially emissions intensive and cannot easily pass on their costs to consumers. The key,



we said, was transparency: decisions must be clearly based on the best available data.

Meanwhile, a panel event co-hosted by the Commission that same month brought U.S. experts to Toronto to discuss how cap-and-trade can affect competitiveness — and how a well-designed system can actually drive growth and innovation.

## A MESSAGE THAT RESONATED

*The Way Forward* offered the right message at the right time. A week after its publication, Ontario Premier Kathleen Wynne announced that Ontario would implement cap and trade, joining B.C., Alberta, and Quebec in their commitment to carbon pricing. Manitoba followed suit at the end of 2015, unveiling plans for a similar system and a common trading market with Ontario, Quebec and California. In November 2015, Alberta announced a re-design of its carbon policy, one that will set an economy-wide carbon price of \$30 per tonne by 2018.

It’s hard to oversell the significance of these decisions. All told, 90 per cent of Canada’s population now lives in provinces committed to carbon pricing — provinces that produce over 83 percent of our total greenhouse gas emissions.

**“By working together with the province, groups like the EcoFiscal Commission, the Clean Economy Alliance and other solution-oriented partners, we believe Ontario’s industry, taxpayers, and our economy as a whole, can thrive in a carbon constrained world.”**

Michael McSweeney, President and CEO, Cement Association of Canada, Op ed, *Financial Post*, April 13, 2015

From left to right: carbon pricing events held in Toronto in April and Halifax in June, respectively, and the Ontario cap-and-trade event in June.





IN THEIR OWN WORDS:

# NANCY OLEWILER, ECOFISCAL COMMISSIONER

When I look around the room at an Ecofiscal Commission meeting, I see an amazing group of people. I see a former deputy minister of the environment chatting with the Conference Board of Canada's chief economist. I see a former clerk of the Privy Council sipping coffee with the chair of Sustainable Prosperity and the president of the Atlantic Provinces Economic Council. These are experts at the top of their fields, all with the same passion and goal: to make markets work for the environment.



As Commissioners, we have differences of opinion, but we're economists. We're born and bred to love a good argument. And **I'm proud of what's come out of those discussions: thoughtful and thorough reports that are helping decision-makers talk about ecofiscal policy in a meaningful way.**

Given the talent and the effort behind the Commission, I probably shouldn't be surprised by how well our work has been received. But I'm amazed how **in the span of a year we've become a go-to source for sound policy.**

**I think our independence has been quite crucial to that overarching success.** We're not paid by government. We don't have to have our analysis and reports vetted through bureaucratic machinery. We talk about the issues we believe are critical now, not just what is framed by the current political agenda.

A tremendous amount of credit also goes to our communications people. It's one thing for a bunch of experts to develop a report. It's quite another to turn that information into a story that resonates with the public and policy-makers instead of gathering dust on someone's desk.

Our chair, Chris Ragan, has put in untold hours presenting talks, recording videos and giving media interview after media interview. Meanwhile, our Advisory Board has helped us get the attention of national media and decision-makers. Having respected leaders from across the political spectrum advocate our work raises our profile and adds to the Commission's credibility.

Our goals are to inform, educate and influence the direction of our country so we can see the environment and economy work together. And the bottom line is that we can't do that without the whole team — the Commissioners, the Advisory Board and our staff — all pulling together to make it happen.

**We've set the bar high in 2015. Now, we have to continue to produce timely, useful and potentially provocative pieces.** That's our calling, and we can't let up the pace.

Nancy Olewiler

Simon Fraser University, School of Public Policy;  
former member of the Federal Commission on Business Taxation

# WE CAN'T GET THERE FROM HERE

Canadians know the misery of traffic congestion. In some cities, more than half of commuters spend at least an hour getting to and from work each day. Growing urban populations have added 1.5 million more vehicles to city streets over the past five years, forcing too many drivers to share the same roads at the same time.

In Canada's four biggest urban centres, 71 per cent of residents say traffic makes it hard to get around, and nearly one in three say traffic congestion is ruining their quality of life. The economic cost of all that lost time runs to billions of dollars, while building more roads simply encourages more people to get behind the wheel.

So it's no surprise that our report on congestion pricing — our first to apply ecofiscal measures in a municipal context — attracted plenty of attention.

## THE CRUCIAL MISSING PIECE

It's easy to overuse what we don't pay for directly. Yet road space and parking spots are a scarce resource. Our November 2015 report identifies congestion pricing as a crucial part of a coordinated approach to transportation — an approach that also includes more public transit, roads and cycling infrastructure.

*We Can't Get There from Here: Why Pricing Congestion is Critical to Beating It* examines a variety of case studies: single-entity pricing on Ontario's Highway 407, high-occupancy toll (HOT) lanes in Minnesota, zone-based pricing in Stockholm, distance-

“This report not only raises a crucial debate but it also reminds us that we live in a culture focused on cars.”

Daniel Germain, *Les Affaires*, November 3, 2015

traveled charges in Oregon, and dynamic parking pricing in San Francisco and Calgary.

Although there are trade-offs, these case studies offer convincing evidence that congestion pricing policies can encourage people to shift their commuting habits, making more efficient use of transportation infrastructure.

Such policies make all other solutions work better for everyone, including drivers, transit users and businesses vulnerable to the costs of congestion. As we describe, the key is thoughtful design and implementation.

The report includes an analysis of different options and

Chris Ragan and columnist Trish Kelly in our video *Stuck in Traffic with an Economist in Vancouver*.





## SPARKING CURIOSITY

We recognize that road tolls can be a tough sell, so our aim was simply to spark curiosity and prompt commuters to ask whether these measures might actually help tame their traffic woes.

We targeted talk radio, ethnic media, local TV news and local papers, generating a slew of regional coverage. Meanwhile our highly sharable infographics and “stuck in traffic with an economist” videos brought the debate to social media.

“The case for road pricing has been made many times, never more convincingly than in a study by a high-profile think-tank, the Ecofiscal Commission.”

Don Cayo, *Vancouver Sun*, November 4, 2015

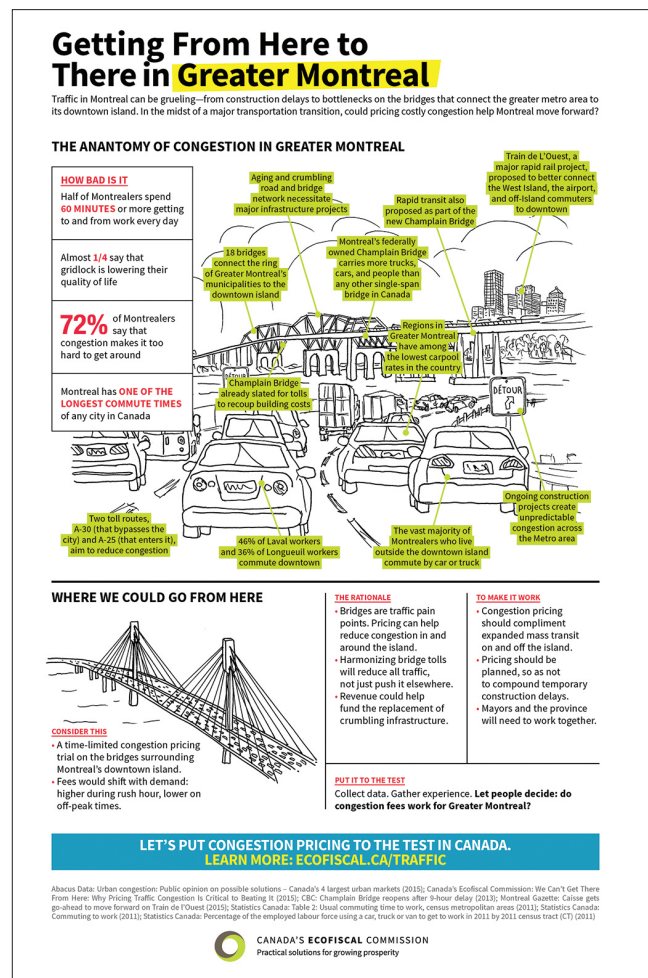
We organized our first Google Hangout, enlisting experts to share practical, proven approaches from New York City, San Francisco, Minnesota and Stockholm. Meanwhile, live events in Toronto, Surrey and Montreal looked at pricing from a local perspective.

In Montreal, for example, a Forum Urba 2015 event featured an Ecofiscal presentation followed by a panel discussion with the CEO of the Quebec Trucking Association, the Executive Director of the Montreal Regional Environment Council, the CEO of Metro Montreal's Board of Trade, and a researcher from HEC Montréal. All agreed that the question is not *if* congestion pricing is needed but *how* to make it work.

design choices for Canada's four biggest cities: Toronto, Vancouver, Montreal and Calgary. We suggest that in Vancouver and Montreal, pricing bridges and tunnels will alleviate the choke points that cause congestion. In Toronto and Calgary, creating HOT lanes will speed up traffic flow, both for those who pay the toll and those who don't.

## A HIGHLY CHARGED DEBATE

Not surprisingly, our congestion-pricing proposals generated plenty of controversy. Maclean's flagged it as one of the “Five stories in Canada we're watching.”



Although the Toronto Star called the report “welcome” and “sensible,” the Toronto Sun slammed road tolls, calling them a tax grab. An editorial in the Montreal Gazette likewise rejected the idea, but we found receptive audiences in unexpected places. An editorial in the National Post, for instance, applauded road tolls as “practical and fair.”

Politicians also lined up on either side of the debate. Metro Vancouver's mayors came out in support of congestion pricing, but Quebec's transport minister said commuters shouldn't be punished for coming to work. However, at least one government is testing the idea. Just over a month after the report was released, Ontario announced two pilot projects that will convert 32 kilometres of high-occupancy vehicle (HOV) lanes on Toronto highways into HOT lanes.

# CARBON PRICING AND COMPETITIVENESS

While the Ecofiscal Commission sees compelling advantages to carbon pricing, we're not blind to its challenges.

In the lead-up to the 2015 global climate negotiations in Paris, the Commission released new research on the relationship between carbon pricing and business competitiveness. *Provincial Carbon Pricing and Competitiveness Pressures* tackles the question of whether putting a price on carbon will drive businesses to lower-cost jurisdictions, hurting the economy while failing to reduce emissions.

In fact, our rigorous examination of the data revealed the vast majority of Canadian businesses face little or no risk since they produce relatively few emissions, trade within local markets, or both. Our calculations suggest that pricing carbon at \$30/tonne makes virtually no impact on the competitiveness of sectors that make up 95 percent of Canada's economy.

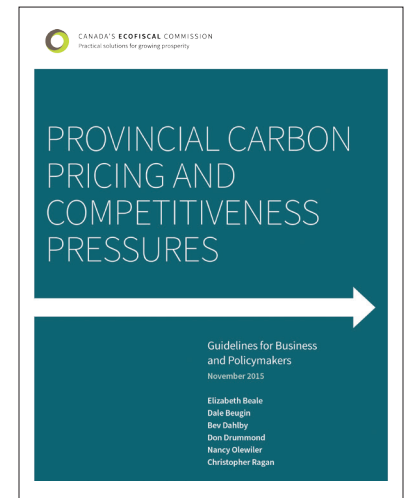
However, that does not mean we can ignore the other five per cent: the emissions-intensive and trade-exposed industries such as cement and fertilizer manufacturers, petrochemical companies and bitumen upgraders. When the price on carbon differs from one jurisdiction to the next, the playing field for these companies tilts. And that is a risk governments should, and can, mitigate — for the sake of achieving both economic and environmental goals.

"This is too important an issue for government to sweep under the carpet," Commission Chair Chris Ragan wrote in an opinion piece for the *Globe and Mail*.



Our report explores the implications for provincial economies. It also discusses how governments can determine which industries face genuine competitiveness pressures and how thoughtful policy design can address these concerns.

We present three principles to help governments structure appropriate support to vulnerable industries. First, they should be *targeted* at only those companies that are truly affected. Second, they should be *transparent* and based on real data. Third, measures should be *temporary*, giving companies the time they need to innovate, but with a cut-off date that creates a clear incentive to innovate.



**“You need to pay attention to this competitiveness issue, [but] it’s not an obstacle for designing a carbon price.”**

Chris Ragan, Interviewed by Kyle Bakx,  
CBC News, November 18, 2015

The report attracted healthy media attention from coast to coast, with coverage that included the *Globe and Mail*, the *National Post*, the *Montreal Gazette*, Halifax's *Chronicle Herald*, the *Edmonton Journal*, *Business News Network*, *CTV* and *CBC*.

Moreover, it clearly influenced Alberta's Climate Leadership Panel. The Panel's November 2015 report liberally references the Ecofiscal Commission in its proposed climate change strategy — a strategy that the province has now adopted.



IN THEIR OWN WORDS:

# STEPHEN HUDDART, ECOFISCAL FUNDER

**At the J.W. McConnell Family Foundation, we focus on the big-picture questions of systems change. How do we enhance Canada's ability to address complex social, environmental and economic challenges? How do we build a more sustainable, resilient society?**



These conversations are crucial to Canada's future, enabling us to envision a world we would be happy to pass on to our children and grandchildren. However, these conversations have been sadly lacking.

Over the past decade, our country has lost a significant degree of its capacity to develop good public policy. We've seen a number of think-tanks close, we lost the National Roundtable on the Environment and the Economy, and our public sector has been pared down. **For far too long, we've seen a yawning divide between people who think about economics and people who think about the environment.**

All of those things contributed to a shared sense that we weren't asking the right questions and that the right people weren't in the room talking about these fundamental issues.

That's why we believe that **Canada's Ecofiscal Commission is a game changer.** Chris Ragan has brought some of the best economists in the country together to focus their considerable talents on developing sound economic policies — policies that

support a durable relationship between people and the planet.

**I can't recall another initiative that has made such an impact so early out of the gate.** In the business pages of the national press, in the halls of governments and in the offices of chief economists, the Commission is bringing complex issues into focus and stimulating open and balanced discussions. The calibre and credibility of their work has achieved instant recognition, reaching exactly the right people who need to be thinking about these issues.

This is really about forging solutions. It's about putting in place the very necessary architecture for a large-scale transition of the Canadian economy. **With Canada's Ecofiscal Commission, I feel confident — and I think other Canadians do too — that we've set some of our best minds to work on this challenge.**

I believe the Commission's work will constitute a critical set of resources for developing smart policy in the coming years, and I'm looking forward to seeing how decision-makers will apply their recommendations.

**Stephen Huddart**

President and CEO,  
J.W. McConnell Family Foundation

# OUR IMPACT

Over the past year, the Commission has sparked plenty of conversations in print, on the airwaves and online. But we've also engaged with audiences face to face, at events from coast to coast. And made a significant impact on provincial policy.

## TAKING ECOFISCAL ACROSS CANADA (AND BEYOND)



## BY THE NUMBERS: A QUANTITATIVE REVIEW OF OUR IMPACT



## TOP 5 ECOFISCAL POLICY ADVANCES

<b>CARBON PRICING</b> <ul style="list-style-type: none"> <li>★ British Columbia: <a href="#">Climate Leadership Team Report</a>. November 2015</li> <li>★ Alberta: <a href="#">Climate Leadership Plan</a>. November 2015</li> <li>★ Ontario and Manitoba: <a href="#">Announce they will link their new cap-and-trade systems with Quebec's</a>. December 2015</li> </ul>	<b>CONGESTION PRICING</b> <ul style="list-style-type: none"> <li>★ Ontario: <a href="#">Announcement of High-Occupancy Toll (HOT) Lanes Pilot Projects on the QEW and Highway 427</a>. December 2015</li> </ul>	<b>POLLUTION PRICING</b> <ul style="list-style-type: none"> <li>★ Nova Scotia: <a href="#">Charting a Path for Growth: Nova Scotia Tax and Regulatory Review</a>. November 2014</li> </ul>
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# LOOKING FORWARD

**There's a lot more to be discussed in the coming years — and a lot at stake as governments at all levels face challenging environmental and economic issues.**

Over the next two years, the Ecofiscal Commission will produce a suite of reports that focus on municipal issues. We'll examine how cities can implement user fees to create meaningful incentives for conservation, such as water metering to encourage less water consumption or "pay as you throw" waste collection fees.

We'll also tackle the question of biofuel subsidies, taking a hard look at the data to determine just what kind of environmental impact these subsidies create — and at what financial cost.

Finally, expect more insights into carbon pricing over the next year. With the signing of the historic 2015 Paris agreement on climate action, more provinces are contemplating carbon pricing and the federal government is developing a new national

climate change strategy. This creates a crucial opportunity to ensure the policies that Canada puts in place are effective, fair and economically prudent, reducing carbon emissions while supporting a healthy, competitive business sector.

**“A cardinal rule in economics is if you have an unpriced resource it gets over-used.”**

**Chris Ragan, Interviewed by Dianne Buckner,  
CBC News, November 2, 2015**

## WHO WE ARE

### COMMISSIONERS

**Chris Ragan, Chair**  
McGill University

**Elizabeth Beale**  
Atlantic Provinces Economic Council

**Paul Boothe**  
Western University

**Mel Cappe**  
University of Toronto

**Bev Dahlby**  
University of Calgary

**Don Drummond**  
Queen's University

**Stewart Elgie**  
University of Ottawa

**Glen Hodgson**  
Conference Board of Canada

**Paul Lanoie**  
HEC Montréal

**Richard Lipsey**  
Simon Fraser University

**Nancy Olewiler**  
Simon Fraser University

**France St-Hilaire**  
Institute for Research on Public Policy

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**Dominic Barton**  
**Jean Charest**  
**Karen Clarke-Whistler**  
**Jim Dinning**  
**Peter Gilgan**

**Michael Harcourt**  
**Bruce Lourie**  
**Janice MacKinnon**  
**Preston Manning**  
**Paul Martin**  
**Jack Mintz**

**Bob Rae**  
**Peter Robinson**  
**Lorne Trottier**  
**Annette Verschuren**  
**Sheila Watt-Cloutier**  
**Steve Williams**



Canada's Ecofiscal Commission was formed by a group of experienced, policy-minded economists from across the country, seeking to broaden the discussion of ecofiscal policy reform beyond the academic sphere and into the realm of practical policy application. The Ecofiscal Commission and its Commissioners are fully independent and aim to serve policy-makers across the political spectrum, at all levels of government.



CANADA'S **ECOFISCAL** COMMISSION  
Practical solutions for growing prosperity

Find out more and share your views.



**Canada's Ecofiscal Commission**

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