

POLICY BRIEF: Many Government Policies Increase Emissions

James Skinner | April 2022



Executive Summary

Government bodies in Canada regularly discuss how everyday Canadians, businesses and other organizations need to reduce their emissions in the name of fighting climate change.

However, something that receives far less attention is how many government policies and activities actually lead to higher emissions. This policy brief documents 23 examples – both large and small – including the following:

- **Medical tourism** – Restrictions on private health care in Canada often lead to patients driving and flying to other countries, leading to higher emissions. In 2017, Canadians made over 217,500 trips abroad for private health care.
- **Obstructing LNG** – Natural gas produces roughly half the emissions of coal. While Canada could develop and export more liquefied natural gas (LNG) to help other nations stop using coal, government barriers have held back this emissions-reducing opportunity.
- **Excessive government travel** – Canada routinely sends large numbers of government officials to attend climate change conferences in faraway destinations. Videoconferencing tools could help drastically reduce the size of Canadian delegations.
- **Roundabouts** – Incorporating more roundabouts in Canadian cities could help reduce emissions compared to standard four-way stops.
- **Alcohol sales** – Need a 24-pack of cold beer and a snack? Archaic government rules often mean consumers have to travel to two different stores to purchase these items.



To be clear, even if governments addressed all of the examples within this policy brief, additional measures would still be needed to meet emissions targets. However, what this brief establishes is that many government policies lead to higher emissions that contribute to climate change. Governments could conduct a more exhaustive review into their policies to identify, and possibly amend, policies which lead to higher emissions.

Methodology

SecondStreet.org reviewed news and industry reports and spoke with several experts to identify and gather information on government policies and practices that lead to higher emissions.

Examples of Government-Driven Emissions

The following are examples and brief descriptions of government policies and activities that lead to higher emissions. We have grouped the examples into three categories:

- Activities within the Canadian energy sector
- Activities that contribute to transport-related emissions
- Other ways that governments may be able to identify emissions reductions that fall outside energy and transportation

Energy related emissions

1) Airline Industry Regulations and Taxation

There are several ways that government policies in the airline industry contribute to higher emissions.

First, a lack of competition in the sector (and subsequently, higher costs) incentivizes Canadians to take international vacations to far away destinations over closer domestic vacations. Longer flights lead to increased emissions. This is evident given that one can fly from Canada to Europe for practically the same cost as flying from Montreal to Vancouver.

Note that WestJet and Air Canada dominate air travel within Canada. This is largely due to government restrictions that require airlines transporting passengers within Canada to have no more than 49 per cent foreign ownership.¹ As a result, consumers in Canada cannot take, say, a Delta Airlines or Korean Airlines flight from Vancouver to Toronto. Less competition for domestic flights is one reason why prices for such flights are high when compared with international flights. For instance, a 2019 story by The Guardian noted that for \$759, a passenger could fly from Montreal to Vancouver, but for just \$59 more, the passenger could instead fly to Paris, France – a distance approximately 50% farther.²

Governments have also facilitated the domestic flight duopoly of WestJet and Air Canada through their approval of airline mergers. For example, in February 2021, the Transport Minister Omar Alghabra approved a merger of Canada's most popular airline (Air Canada) with Canada's third most popular airline (Air Transat).³ All of these anti-competitive policies have consequently resulted in Canadians travelling further for vacations and travel needs, which lead to higher carbon emissions.

Secondly, because government policies lead to excessive fees and taxes in the airline sector, many Canadians choose to drive just over the border to U.S. cities for air travel, which increases their emissions when compared to flying from their closest domestic airport.

High landing fees, airport improvement fees and fuel taxes contribute to this problem. Note that as of 2022, a round trip from Ottawa to Winnipeg incurs an extra \$3,000 in carbon taxes for a typical Boeing 737 aircraft, and these costs are inevitably passed on to the consumer in the form of higher ticket prices.⁴ A Senate report compared two nearby cities – Buffalo and Toronto – and found that with taxes alone, flight prices from Toronto included 43% taxes, compared to 15% in nearby Buffalo.⁵

According to SimpleFlying.com, Canada's airport fees are "some of the highest in the world."⁶

The aforementioned Guardian article notes that 5 million Canadians cross the U.S. border per year to fly out of U.S. airports.⁷

Finally, higher jet fuel taxes imposed by some Canadian government bodies contribute to higher emissions through something known as "tankerage." Simply put, airlines will sometimes take on more fuel than necessary in lower taxed jurisdictions to avoid purchasing more fuel in higher taxed jurisdictions. While this helps the airline save money, it means the airplane is heavier than necessary and burns more fuel.

The CD Howe Institute notes the following:

"An airline can lower its after-tax fuel costs by loading extra fuel in the low-tax jurisdiction, but at the cost of carrying extra weight in-flight and therefore burning more fuel. Airlines engage in this practice if the cost of burning more fuel is less than the additional cost of taxes upon refuelling, but the economic cost of the distortion in terms of wasted fuel and environmental harm can be substantial."⁸

2) Heavy Regulations on Oil Pipelines

Canada's inability to build pipeline capacity has consequently shifted oil transportation to rail, which is upwards of 77% more carbon intensive than pipelines.⁹

Despite Canada having a large oil and gas sector, as well as the third largest oil reserves in the world, pressure from activists and a lack of support from federal and some provincial governments has meant that our nation hasn't been able to build enough pipeline capacity to transport oil to energy customers.¹⁰

Following the cancellation of projects such as Northern Gateway and the Energy East pipeline, more oil has been transported across Canada in large volumes by train, which is much more CO₂ intensive.¹¹

For perspective, crude by rail transport reached a record 412,000 barrels per day in February 2020. In light of the Ukraine invasion, crude oil producers are once again looking to rail to help with transporting crude to buyers in the United States.¹²

3) Nuclear Power

Unlike conventional methods of generating energy, nuclear power plants don't produce any form of air pollution (including carbon dioxide), making it one of the cleanest energy sources in the world.¹³ However, government barriers and reluctance to utilise this technology means continued use of electricity sources that *do* emit carbon dioxide – namely, coal, natural gas and oil (approximately 20% of Canada's electricity supply as of 2016).¹⁴ As of 2015, these sources contributed to 78.7 megatonnes of CO₂ equivalent.

By developing more nuclear power, Canada has the potential to offset a significant portion of these carbon emissions.

New Brunswick, Alberta, Saskatchewan and Ontario have signed Memorandums of Understanding in developing Small Modular Reactors (SMRs). These are essentially small or portable nuclear reactors that can replace diesel generators and power off-grid communities and remote mining operations. Despite this advancement, the Canadian Nuclear Safety Commission (CNSC) has been slow to approve this new technology.¹⁵ To date, of the 12 proposals submitted for SMR technology, the CNSC has not approved a single project.¹⁶

Furthermore, some governments have completely shut down the potential for nuclear power altogether. The government of British Columbia has legislated a moratorium on the building of power plants as well as the mining of uranium within the province due to environmental concerns, meaning the exploration of nuclear power as a green energy source is a non-starter in the province.¹⁷

This seems counterproductive given that nuclear power can provide our nation's energy needs while slashing our carbon emissions at the same time. If Canada is to meet its net-zero emissions targets by 2050, nuclear power could play a key role.

4) The Lights are on, but Nobody is Home

Throughout the COVID-19 pandemic, thousands of civil servants have been working from home, yet many federal government buildings - especially in the National Capital Region - have kept office lights on overnight.

In fact, electricity consumption data for the year 2020 showed that total utility costs in government buildings across the National Capital Region remained stable when compared to pre-pandemic values.¹⁸

While many buildings across the country now use motion detectors to light office buildings, government buildings are still lagging behind, meaning lights are left on when they're not needed, and CO₂ emissions from electricity consumption are produced unnecessarily.

5) Le Problème du Gaz Naturel

In 2018, Quebec spent \$2 billion importing natural gas into the province to power hospitals, schools, businesses and other buildings. However, due to the abundance of natural gas in the Utica Shale, Quebec could easily extract locally-produced natural gas instead of importing it from Western Canada and the United States (and driving up emissions from this transportation). Current estimates detail that Quebec's recoverable reserves of natural gas, concentrated in the southern part of the St. Lawrence Valley, are between 250 billion m³ and 1,150 billion m³. At current rates of consumption, this would mean Quebec has sufficient reserves for at least 40 years.¹⁹

However, since 2013, the government of Quebec has placed a moratorium on developing natural gas in the Utica Shale for environmental and climate reasons.²⁰ More recently, the Quebec government indicated it would be banning all new natural gas development in the province.²¹

The irony is that by developing its own natural gas (instead of importing it), Quebec would eliminate carbon emissions that occur when the natural gas is transported over long distances. In fact, producing natural gas locally in Quebec would reduce carbon dioxide emissions by the equivalent of taking 35,000 cars off the road each year.²²

6) Exporting Oil and Liquefied Natural Gas

Canada has enormous export potential for its natural resources, especially oil and liquefied natural gas (LNG).

However, exporting these resources not only has a monetary benefit for the Canadian economy, but it can also significantly reduce emissions worldwide. With the Trans Mountain Pipeline, Canada can sell its oil to countries including China and help them transition away from coal, which released 7.4 billion metric tonnes of carbon dioxide into the atmosphere in 2020.^{23 24}

With LNG, Canada can also export this resource to Asia and help countries relying on coal to transition to a cleaner form of energy – natural gas (the latter releases about half the emissions of coal).²⁵ According to one report, Canada could help China reduce its emissions by 34-62% per kilowatt of electricity if natural gas was used instead of coal.²⁶

However, with federal and provincial governments continually obstructing these projects, this significant opportunity to reduce carbon emissions has largely been missed.^{27 28}

Transport-related emissions

1) Medical Tourism Due to Private Health Care Ban

In 2017, Statistics Canada data showed that Canadian patients made at least 217,500 trips abroad specifically for health and medical reasons.²⁹ Because it's safe to assume patients didn't walk to the United States – or use canoes to get to their surgeries performed overseas – these trips ended up requiring vehicles and airplanes that cause emissions.

Patients travelled abroad in many cases because they were subjected to long waiting lists in the public health care system but required immediate surgical intervention due to chronic pain and illness. As Canadians are largely not allowed to pay for private health care in their home provinces, they often travel to other jurisdictions for help, either out-of-province or abroad.

Removing barriers to private health care could lead to more patients paying for the health care services they require locally instead of travelling great distances and contributing to higher emissions.

2) Videoconferencing Over In-Person Travel

The pandemic has forced thousands of Canadians to become acquainted with videoconferencing and to meet virtually rather than in-person.

While there are benefits to in-person meetings that can't be replaced with videoconferencing, governments could use more virtual meetings in the future.

A great example of how Canada could cut back is in the size of delegations that attend "climate conferences." According to the Toronto Sun, Canada sent 277 delegates and 17 press aides to Glasgow for the COP26 conference.³⁰ For perspective, the host country – the United Kingdom – only sent 230 delegates. It is understandable for Canada's prime

minister and environment minister to attend such an event and meet face-to-face with other leaders and ministers (together with their respective staff and security details). However, if the goal of the conference is to find ways to limit global emissions, it is difficult to understand why Canada's overall delegation was so large.

This is not the first time Canada sent a large delegation to a climate conference. During the COP21 conference in Paris in 2015, CTV News reported, "Canada has one of the largest teams at the Paris climate change conference, with more than 300 politicians, government staff and bureaucrats in attendance." This was double the delegation sent by the United States.³¹

Another example of how governments could cut emissions is in eliminating unnecessary trips for announcements.

For example, in 2020, Canada's infrastructure minister spent \$22,701 on domestic airfare from January to November, and logged 28,869km via commercial airlines, all for the purpose of "announcements" and "meetings with stakeholders".³²

In 2021, the same minister travelled to Nunavut Arctic College to make a pre-election announcement stating that the federal government would be investing \$42 million in water and fishing services in the Qikiqtarjuaq region. This announcement meant a round trip of over 5,000km and significant emissions from airplane travel.³³

To be sure, political parties across the spectrum have engaged in unnecessary travel. An announcement by Zoom would likely yield less media interest and may not make for as nice of a photo opportunity, but if Canada is truly facing a "climate crisis," it's hard to understand why politicians should be exempted from the "crisis."

Related to this issue is the regular travel that provincial and federal officials engage in for legislative activities (i.e. flying to provincial capitals or Ottawa to participate in votes, house debates, question period, etc.) Again, there are benefits to meeting face-to-face that help elected officials learn about

issues and perform their duties. However, the pandemic has shown that participation can be done remotely, and there's an advantage to keeping this option available to elected officials after the pandemic has subsided.

3) Fuel Taxes Driving Cross Border Fill-Ups

Provincial and federal governments have imposed high taxes on fossil fuels in the name of fighting climate change. For example, in Vancouver, a vehicle owner will pay 18.5 cents per litre for a dedicated motor fuel tax for BC Transit, 6.75 cents per litre for a BC Transportation Financing Authority tax, 1.75 cents per litre for a general provincial tax, and 9.96 cents per litre for a provincial carbon tax.³⁴ On top of that, motorists pay 10 cents per litre in federal excise taxes as well as 5% GST on the total bill.³⁵

Although these taxes are designed to offset carbon emissions, they can have the opposite effect in certain circumstances. Those living in Toronto are unlikely to drive over two hours to cross the border into Buffalo for cheaper fuel, but for border communities in places like Osoyoos, BC or Coutts, AB, it is well known that residents in close proximity to the United States will often drive across the border for less expensive fuel.³⁶ This not only takes money out of Canada's economy, but also drives up emissions as residents drive farther to save money.

4) Provincial Registration Requirements for Out-of-Province Vehicles

When a Canadian moves to a new province and brings a vehicle with them, they are often required to drive to a garage and obtain a safety standards certificate. This requirement is often necessary even if the vehicle received a comprehensive safety inspection in its previous province.³⁷

This not only increases costs for drivers, but it also increases emissions since Canadians are forced to drive to government-approved stations for reviews – even on newer vehicles. This is an even more significant burden for rural Canadians who have to drive farther for such inspections. Considering many countries do not require safety checks and classifications when a resident moves within the country (eg: the United Kingdom), it is arguable this requirement is not necessary.

5) Difficulties When Importing from the United States

The goods and services market between Canada and the United States is worth approximately \$700 billion USD each year, but despite the countries' close proximity and geopolitical ties, many freight and manufacturing companies won't transport goods from the U.S. to Canada.³⁸

This is often due to incredible amounts of government red tape when importing goods, varying from import permits and business numbers, to regulations around Rules of Origin and shipping labels.³⁹ In fact, Purolator International, a subsidiary of Purolator Inc. (nearly entirely owned by Canada Post), even has a "Top 7" list on its website of problems that can arise at the border when shipping goods from the U.S. to Canada.

For example, importing a product from the U.S. to Canada requires multiple shipping documents to be completed (bill of lading, Canada Customs Invoice, Commercial Invoice, Proof of Delivery and Certificate of Origin) as well as the payment of various taxes. Navigating all these requirements is a burden that many companies are not willing to undertake.

As a result, this leaves some Canadians with no choice but to drive to the border and collect their goods in the U.S., where some American border towns have even created profitable businesses that take advantage of the red tape. For example, the small town of Pembina in North Dakota – which is just over 4 kilometres from the Manitoba border and is home to just 512 people – has three different parcel services where Canadians

can have their goods shipped to pick them up and drive them back to Canada.^{40 41} This results in more emissions than if transport trucks (that were already crossing the border) had carried the goods in the first place.

If the Canadian government reduced the amount of red tape when it comes to importing products, more U.S. companies would be willing to ship their products to Canada, which in turn could reduce emissions from Canadians travelling across the border to pick up their goods in the United States.

6) Idling Photo Radar Vehicles

Many municipalities in Canada hire private companies to issue “photo radar” tickets using stationary vehicles and stationary red light cameras. This technique has been hotly debated in Canada, with many critics referring to the tools as a cash grab.

However, what receives less attention is the fact that photo radar vehicles have to idle for hours at a time in order to power their radar cameras. This in turn creates unnecessary emissions.⁴²

Returning to using police officers to enforce speed limits, instead of using private photo radar companies, could lead to a reduction in emissions since cities would no longer have the incentive to deploy as many units. Readers should also note that returning to having police officers enforce speed limits instead of private mobile units does not mean roadways would be less safe. Edmonton Journal columnist David Staples notes, “Six other Canadian provinces, including Ontario, don’t have photo radar. Our roads are no safer than the majority of them.”

7) Roundabouts vs. Stop Signs

The most common form of traffic control at a road junction in Canada is a stop sign. However, across Europe, the most common form is a roundabout - a circular intersection that was developed in the United Kingdom in the 1960s.

While a stop sign requires motorists to stop at a junction, a roundabout requires drivers to slow down, and only stop when a vehicle is on the roundabout and approaching. As such, the Insurance Institute for Highway Safety in the United States has determined that roundabouts are not only safer, but that they also reduce vehicle idling, and thus emissions.^{43 44} Installing roundabouts in place of traffic signals or stop signs has been found to reduce carbon monoxide emissions by 15-45%, nitrous oxide emissions by 21-44%, carbon dioxide emissions by 23-34% and hydrocarbon emissions by 0-40%.⁴⁵

Of course, it will be challenging for governments across Canada to exchange existing stop sign junctions with roundabouts, but Canada could reduce emissions by simply adopting more roundabouts and retiring the stop sign from future projects.

8) Alcohol Regulations

Many provinces across the country have arduous restrictions around the sale of alcohol. Instead of allowing private supermarkets or convenience stores to sell the product, governments often force consumers to purchase alcohol at state-run stores. Some provinces have even granted monopolies over the sale of certain products, such as the monopoly enjoyed by The Beer Store in Ontario when it comes to selling 12 and 24 packs of many beer products.⁴⁶

In many parts of Canada, citizens cannot purchase, say, a bottle of wine and products to make a pasta dish in the same store. Thus, consumers would have to drive to the grocery store and pick up their groceries, and then travel to the nearest liquor store to grab a bottle of wine. Given that millions of Canadians will undertake this pointless exercise multiple times per year, allowing private grocery stores to sell alcohol (like the United States, UK or Ireland) could save consumers time and money while helping them reduce their emissions.

Furthermore, the LCBO only operates 677 stores across Ontario.⁴⁷ In Alberta, a province with less than a third of the population of Ontario, there are nearly three times as many alcohol retailers, while Quebec has five times as many retailers as Ontario despite having six million fewer people. This lack of convenience means that residents often have to travel longer distances for their beer and wine instead of relying on nearby private retailers.

9) Excessive Zoning Regulations

Major cities across Canada are heavily zoned by municipal governments so that only single-family homes can be built in many areas. In Toronto, for example, over 70% of the city is zoned for single family homes, which eliminates the possibility of building duplexes, stacked townhomes or condo buildings.⁴⁸ This means only a handful of people can live on a parcel of land, which has contributed to Canada having the lowest number of housing units per 1,000 people compared to any other G7 country.⁴⁹

This policy approach also leads to less dense cities, resulting in more people having to live in the suburbs or outside of major cities and commuting every day. Clearly, higher emissions are a by-product of this policy. Municipal governments can very easily reduce emissions by getting rid of overly restrictive zoning regulations and letting the market build the housing that is demanded in these areas. In 2020, the City of Portland in the United States passed a measure to tackle this issue and

has rezoned areas that were previously only allowed for single family homes to allow the construction of duplexes, triplexes and fourplexes.⁵⁰

10) Virtual Health Care

Since the onset of COVID-19, all provincial governments added new billing codes for doctors to use when providing virtual health care services to patients.⁵¹ Simply put, this allowed doctors to bill for an appointment with a patient through video conferencing or over the phone just as they would for an in-person appointment.

This change reduced the number of patients sitting in doctors' offices and thus, reduced the potential for contracting COVID-19 from other patients. However, more access to virtual health care also means patients can receive the care they need from the comfort of their homes instead of having to drive to local doctors' offices. This is especially convenient for rural patients (provided they have sufficient internet connections).

To be sure, this technology isn't always suitable. For instance, if a doctor needs to feel a patient's abdomen or shoulder as it moves, that can't be done virtually. However, appointments to discuss refilling a prescription or to review test results can easily be done through videoconferencing or over the phone.

Not all provincial governments have made plans to keep expanded virtual care permanent. For example, in Ontario, remote health care is only expected to last until September 2022.⁵² Unless this practice is kept, patients will be forced to once again pay out-of-pocket for a virtual consultation, or travel to see their doctor in-person for the same services, with such travel contributing to higher emissions. This is also discounting doctors travelling to and from their offices when some of these appointments, or entire days of work, could be done at home.

If governments adopted legislation supportive of virtual health, it would save Canadians thousands of trips to the doctor every week, meaning less travel required and less carbon dioxide emitted for basic medical services.

11) Outdated Government Logistics

Almost every small or large business that offers online services has a website that you can use to contact them, make payments or verify your details. This is because it is faster, more efficient, and as a bonus, uses fewer carbon emissions than traditional mailing or in-person systems.

However, many government institutions across Canada have not caught up to the digital age.

For example, in Ontario, sending a Freedom of Information Act request (FOI) requires you to pay a \$5 fee, but many institutions don't have the infrastructure to accept online payments. Legal Aid Ontario is one such institution, requiring an FOI payment to be sent via cheque or money order. This requires driving to a post box or post office, with the postal service then driving or flying the FOI payment to Legal Aid Ontario's processing offices, creating a lot of unnecessary carbon emissions.⁵³

Another example is Service Canada. When applying for maternity or parental benefits - as almost every Canadian with a newborn will do - Service Canada ask that you supply them with a Record of Employment (ROE) to prove that you have worked the minimum number of hours over the preceding 52 weeks to qualify. However, the only way they can receive this ROE is via mail or having it dropped off at your nearest Service Canada Centre. Both processes result in greater emissions compared to simply being able to access your ROE online and submitting it to Service Canada electronically.⁵⁴

Governments could easily and quickly reduce emissions by simply modernizing their systems to catch up to the 21st century. This would save users time and money, and could help reduce carbon emissions from unnecessary postal mailings and in-person visits.

12) Virtual Court Hearings

The COVID-19 pandemic has led many court proceedings to be conducted online, which has also resulted in benefits for the environment.

In family law, for example, plaintiffs and defendants were previously required to attend court hearings in-person, meaning those in remote areas were sometimes required to travel hundreds of kilometres by plane, train or car to attend (thereby contributing to greater carbon emissions).

However, with the interim adoption of virtual court proceedings, attendees are no longer required to meet in-person with lawyers and judges, but instead can use virtual platforms like Microsoft Teams or Zoom to participate in hearings. This has made the legal process more accessible for those in remote areas and has contributed to reduced/eliminated travel and carbon emissions.⁵⁵ It has also saved judges and lawyers from travelling to and from court rooms, which in turn has also saved unnecessary emissions.

If governments across the country want to explore an easy way to reduce emissions, they may wish to consider making virtual court procedures a permanent feature of the legal system.

13) Parking Passes

Many governments provide free parking passes for their employees, council members and others who sit on city boards to use at city-owned parking lots and for street parking. In Toronto, for example, 69 long-serving employees are receiving lifetime parking privileges, while five former board members and 19 city councillors also have lifetime parking passes.⁵⁶

Needless to say, free parking passes incentivize driving instead of using public transit, walking or taking a bicycle. It is difficult for cities like Toronto and others to reconcile their "Climate Emergency" motions while continuing to encourage motorists to drive to work.^{57 58}

14) Municipal Golf Courses Contributing to Urban Sprawl

Many municipalities own and operate golf courses that are located in the middle of prime real estate in cities.

Not only do these courses often lose money, but they also contribute to urban sprawl as prime land for housing is used for a sport that few can play at any given time for half the year.⁵⁹ This results in citizens having to live further out of the city and commute longer distances to the downtown core, resulting in higher emissions than necessary.

Understandably, green space is an important part of any city. However, instead of using the space for golf, the land could be developed, with some of the area reserved for green space. Golf courses could then be relocated.

15) Unnecessary Subsidies for Industries

It is commonplace for the Canadian federal government to subsidize industries, but in some cases, those subsidies contribute to higher emissions.

A well-known recipient of said subsidies is Bombardier, an aerospace company in Quebec. It has been reported that the company has received over \$4 billion in public funds since 1996, while in 2015, it received a \$372.5 million subsidy from the federal government to fund the research and development of its business jets.^{60 61 62}

What's particularly noteworthy is that business travel via private jets is far less environmentally friendly than passenger travel on commercial airlines. According to the BBC, "emissions per kilometre travelled are known to be significantly worse than any other form of transport."⁶³ Statistically speaking, private jets are five to 14 times more polluting than commercial planes (per passenger) and 50 times more polluting than commercial trains.⁶⁴

Reducing such subsidies not only saves taxpayers money, but it can also help reduce emissions.

Others

1) Supply Management

Supply management is a unique system in Canada that regulates the prices and production of milk, eggs and poultry. With milk, the Canadian Dairy Commission (CDC) – along with provincial supply management boards – creates scarcity for milk products by limiting the amount of milk that farmers can produce. At the same time, the CDC and affiliated boards set the price each year to ensure a guaranteed revenue for farmers at the expense of consumers. Heavy tariffs on imported dairy products help protect this industry from competition.

When farmers produce more milk than they are permitted to, the oversupply is sold to processors. However, when processors are not able to take on surplus milk, or when milk demand drops significantly, it has to be dumped so as not to affect the regulated price.

In the year ending July 2020, 30 million litres of milk had to be dumped, and in the year ending July 2021, 8.4 million litres of milk had to be dumped – a figure the commission noted was representative of a typical year.⁶⁵ Under normal market conditions, most of that milk would have been sold to the marketplace, and the price of milk would have decreased. Due to Canada's price-fixing system, however, that did not occur.

Considering that each litre of Canadian milk creates 0.94kg of CO₂, dumping millions of litres of milk in the interests of supply management causes tremendous amounts of carbon dioxide emissions unnecessarily.⁶⁶

In addition, because supply management artificially raises the price of milk, Canadians living in border towns can pay at least 25% less for their milk if they travel across the border to the U.S., again causing greater emissions through vehicle use.⁶⁷

2) Forest Fire Protection (or the Lack of)

Since 2017, the province of British Columbia has seen a significant increase in the number of forest fires that have destroyed millions of hectares of land. One cause of these wildfires is the government's reluctance to perform controlled burns of dead plants and trees in forests.

Simply put, unless dead trees and plants are managed regularly through controlled burns, they can build up and serve as fuel for uncontrolled forest fires – making the latter significantly larger.

In 2017, the University of British Columbia's Department of Forest & Conservation Sciences sent an open letter to B.C. premier John Horgan highlighting the need for more prescribed burns to curb fuel load in the province's forests.⁶⁸

Little was done, however, as the province favoured "environmental protection" over such burns. As a result, the province saw 1.2 million hectares burned by wildfires in 2017 (a full 40 per cent higher than the previous record-holder of 855,968 hectares burned in 1958), and 1.35 million hectares burned in 2018, with last year's estimation expected to shatter those records once again.⁶⁹ In terms of carbon emissions, it is estimated that the 2017 fires released an estimated 163 million tonnes of CO₂ into the atmosphere, and the 2018 wildfires released a further 200 million tonnes.⁷⁰ Estimates are still being calculated for the 2021 wildfires, but are also expected to be significant.

While the BC government insists on protecting forests by limiting the number of controlled burns, they are actually encouraging the development of forest fires, which not only

destroy trees (and their ability to absorb carbon dioxide from the atmosphere), but also pollute the air as more trees are burned, leading to increased emissions and significantly contributing to climate change.

Conclusion

When it comes to climate change, governments in Canada have focussed their efforts on how everyday Canadians and businesses need to change their behaviour in order to reduce their emissions. This policy brief demonstrates that governments would also be wise to look inward and review how their own policies may result in higher emissions than necessary.

As previously noted, even if governments addressed the micro and macro examples in this brief (and additional policies that are identified after reviews), additional action would still likely need to be taken in order to meet emissions targets.

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