



Canadian Labour Congress

Congrès du travail du Canada

CLC COP 15 Statement

The Canadian Labour Congress Policy Paper to the Fifteenth Conference of the Parties to the UNFCCC

It is imperative to reach a strong international agreement: an agreement in which the needs and aspirations of all are taken into account; an agreement that will effectively shape the blueprint for the type of society we wish to build and pass on to future generations.

We need to build a **climate of change** where root causes of fossil fuel dependence, over production, consumption and trade are recognized and addressed. Real solutions exist. Globally and domestically, we can transition away from fossil fuels to a green economy with decent family-supporting unionized jobs, greater conservation, energy efficiency, renewable energy and sustainable transportation. This requires urgent domestic action, and effective international action.

A fair climate change agreement will provide deep and binding emission reductions by the Global North of at the very least 25 percent below 1990 levels by 2020; and 85 percent below 1990 by 2050. A fair climate change agreement means recognizing the rights of indigenous people. A fair climate change agreement means significant contributions to both mitigation and adaptation financing from Global North countries supporting the transition to low carbon economies in the Global South. It is now our responsibility to assist less-developed countries to follow a clean path to prosperity.

I. The Urgent Need to Act

Canada and the world must address the climate crisis, the most pressing issue of our times, in Copenhagen. This is the eleventh hour and the world needs a strong international climate agreement with deep emission cuts that advances climate justice. Policies that use science-based targets are needed, and need to be quickly implemented to achieve significant reductions of greenhouse gas (GHG) emissions with science-based targets.

The Intergovernmental Panel on Climate Change (IPCC) has indicated that to prevent the most catastrophic effects of climate change we must avoid an average global increase of 2°C. To prevent the “tipping point” of a 2°C increase in average global

temperatures, Canada and all other Annex I countries, must reduce their total GHG emissions by 25%-40% below 1990 levels by 2020 at the very least.

Canadian trade unionists recognize the urgency of responding to this clear call for action by the IPCC, and strongly support both the 2020 and 2050 targets. We recognize that recent scientific evidence suggests that even these targets may underestimate the gravity of the climate change crisis, and we agree that both the global and national response to climate change must be driven by scientific evidence. We have no time to waste, Copenhagen is our moment.

II. Global Solidarity

Those who contributed least to climate change, will be hit first and hardest, including indigenous populations, people facing poverty, and those in the Global South, including small island states. For those who contributed least to the problem, climate change is literally a matter of life and death, and survival should be non-negotiable. Trade unions from developed and developing countries agree that we desperately need an agreement that will put the world on a path towards limiting the global temperature rise of no more than 2°C. We stand in solidarity with the global trade union movement in advocating the need for developed countries to take the lead in deep emission reductions, following science-based targets of at least 85% below 1990 levels by the year 2050.

Such an ambitious but necessary objective will not be achieved if short and medium term targets are not settled during current negotiations. Trade unions from developed and developing countries agree on the need for:

- Developed countries, including Canada, to take the lead in emission reductions by reducing Canada's national emissions by at least 25%-40% below 1990 levels by 2020, is necessary in order to attain the global 85% reduction by 2050;
- Developed countries, including Canada, should rely on the principle of common but differentiated responsibility as a framework for action, not inaction;
- Reference to "Just Transition" to remain and be strengthened in the in the current negotiating text;
- Transitions to a lower-carbon economy in the developed world and targets for renewable energy, energy efficiency, clean coal technology and sectoral approaches; must be accompanied by clear objectives and mechanisms in order for developed countries to finance and enhance technology development in, and technology transfer to, the developing world.

Trade unions call for an equitable sharing of the responsibilities regarding climate protection and emission reductions. There must be provisions for the fair distribution of the cost associated with emission reductions, so that the poorest will not carry the heaviest burden. At international and national levels, relative

household income needs to be taken into account in order to direct emission reduction efforts towards those with the capacity to carry out such measures.

III. Moving Beyond COP 14 in Poznan

Canada failed at COP 14 in Poznan and again most recently in Barcelona by not supporting a 1990 baseline, and by not supporting the 25-40% range. Respectfully, we plead that at the 15th Conference of the Parties to the United Nations Framework to the Convention on Climate Change in Copenhagen, Canada should:

- Accept the indicative range of 25%-40% reductions below 1990 levels by 2020 for Annex 1 countries;
- Support a financing mechanism for adaptation/mitigation in developing countries;
- Support a mechanism for technology transfer;
- Support a hard-hitting international REDD (Reducing Emissions from Deforestation and forest Degradation) mechanism which aims to halt global forest cover loss by 2030 at the latest and to reduce gross tropical deforestation by at least 50% by 2020 compared to current levels;
- Support an effective international REDD mechanism which addresses both methodological issues, such as how to monitor and verify emissions, as well as central policy issues, such as how to ensure that incentive mechanisms and funding reaches communities where deforestation occurs;
- Take a principled position on LULUCF (Land-use, land-use change and forestry) that avoids the possibility of phantom land use credits, more specifically labour's expectations for Canada on LULUCF in Copenhagen are:
 - Show an openness to approaches that acknowledge and address emissions from forest and peatland degradation in Canada;
 - Take a constructive approach to address concerns that their "forward-looking baseline approach" could create "phantom" credits that don't reflect actual carbon stock changes;
 - Show a willingness to discuss limits on compliance using LULUCF credits based on achieving the necessary mitigation required in other sectors;
 - Show a commitment to the idea that discussion about targets must be linked to the new rules and their implications for emissions accounting; and
 - Accept the established penalties for non-compliance with the Kyoto Protocol.

Anything less, should and will be considered a failure to follow science-based targets, a failure to act responsibly on the international stage and a failure to represent the democratic will of the Canadian people.

Labour's Ten Priorities for Canada's Domestic GHG Reduction Responsibilities

To prevent a 2°C increase in average global temperatures, Canada and all other Annex I countries, must reduce their total GHG emissions by 25%-40% below 1990 levels by 2020, at the very least. Despite its own claim of having “one of the toughest regulatory regimes in the world”, Canada’s record on global warming is one of the worst in the world. Canada has the highest and fastest growing emissions in the G8. According to the UNFCCC, Canada was 38th out of 40 developed countries for its increase of greenhouse gas emissions from 1990 to 2006. Canada is failing miserably to honour its Kyoto Protocol commitment to cut greenhouse gas emissions six per cent from 1990 levels by 2012. The Harper government is not even trying to reach the minimum 25 per cent reduction in emissions needed by 2020 to avoid a climate catastrophe.

The Canadian Labour Congress, affiliated unions and federations of labour, representing 3.2 million people plead that the government delegation, in particular the Minister of the Environment, consider domestic policy options in their international negotiations. Including:

- a carbon pricing system, consistent with the polluter pay principle;
- a carbon pricing system combined with a border adjustment mechanism as an extension of the domestic carbon pricing policy to foreign exporters;
- investments in energy efficiency, rail and mass transit infrastructure and clean, sustainable renewable energy;
- a federally funded just transition program that protects workers rights;
- federally funded development of “green” manufacturing strategies and carbon mitigation technologies;
- a drastic and dramatic slowdown on any further expansion in the tar sands; and
- a commitment to adaptation, mitigation and technology transfer to the developing world.

Effective policies, which tie government investments to domestic procurement and provide job training can serve to create jobs and increase Canadian economic growth.

I. The Current Global Trade Regime

It is time to challenge the current international trade regime. Trade agreements, which have created a world of producers in the global south and consumers in the north, have increased the distance between producers and consumers, contributing to a rise in global greenhouse gas emissions.

In addition, by pushing production into the global south, a substantial portion of the the developed world’s GHG emissions are embedded into the developing world’s emissions. This is not the way in which we should be averting catastrophic climate change, especially when Canada attempts to argue against binding international

commitments because emissions are rising in the developing world, often due to consumption in the developed world.

The key to our future prosperity is to add more value to our resources before they are exported and, by investing more in innovation and skills, build the knowledge-based and environmentally sustainable industries of the future here in Canada. This strengthened domestic production and trading scheme can't happen without government involvement in the economy specifically an economic development plan and a plan to reduce our greenhouse gas emissions with science-based targets.

II. A Carbon Pricing System

In line with the polluter pay principle, Canadian trade unionist support a national cap and trade carbon-pricing system which will serve to fix a maximum emission level, in line with the overall national targets. The system would be permit-based and would move towards full auctioning by government of all permits. Such a system would create financial incentives to reduce emissions and generate federal revenue for further emission reductions. In many cases emission reduction activities would result in modernizing plants, and improving workers' health and safety.

If Canada is to put a price on carbon either through a cap and auction system, a carbon tax or both, we should ensure that a tariff is placed on imported goods. Specifically, a separate carbon-pricing scheme must be developed for imports. This carbon-pricing system would ensure that off-shore producers, particularly transnational corporations, pay the price of the carbon content in the goods they ship to us.

III. Green Manufacturing Strategies

Sectoral economic strategies are needed to rebuild our industries for tomorrow, particularly the hard-hit manufacturing and forestry sectors. Further corporate tax cuts should be canceled and replaced by direct government support for new private sector investment in machinery and equipment, research and development and training.

For instance, the allocation of public funds to the re-tooling of factories would significantly aid the automobile sector to produce green vehicles, reduce Canada's greenhouse gas emissions, and grow the economy. The Canadian auto industry needs to be re-tooled to support production of hybrids, fuel cell vehicles, and other environmentally friendly vehicle technologies and components. This will require many billions of dollars in capital expenditures, which must be supported by government as part of the restructuring of this vital segment of our industrial economy. Some of this cost could be offset with a green vehicle transition fee charged on the sale of current vehicles; more could come from government industrial development agencies. Also, vehicle manufacturers must face requirements to produce a proportionate share of the value-added they sell in a particular continental or regional economy, in that economy.

IV. Energy Efficiency Improvements

As we spend money to get out of the economic crisis we should spend it on green investments to both keep our economy afloat, move our economy in the right direction and reduce our overall energy use.

Energy efficiency can be increased in existing residential, commercial and institutional buildings through retrofits using qualified, certified and unionized workers. Large scale retrofit programs can yield significant economic growth and job creation.

In Germany, retrofits of 300,000 homes and apartments each year have resulted in the creation of hundreds of thousands of jobs. Additional energy efficiency opportunities exist with furnaces, water heaters, air conditioners, household appliances, lighting, etc.

V. Expansion of Rail and Mass Transit Infrastructure

Investment in mass transit infrastructure is necessary in all major urban centres and also provides substantial economic growth and job creation. The Federation of Canadian Municipalities states that a \$2-billion tax reduction produces fewer jobs than \$1 billion spent upgrading our infrastructure. The key piece is to reduce our greenhouse gas emissions and tie spending to domestic procurement to reduce greenhouse gas emissions and produce the Canadian green jobs of tomorrow, today.

Investment in new rail infrastructure, specifically inter-city, high-speed rail connecting Windsor to Quebec City and Edmonton to Calgary, will reduce emissions from trucks, autos and aviation, create jobs, increase air quality, and encourage expanded business travel and tourism; all while keeping our economy afloat and moving our economy in the right direction.

VI. Development of Clean and Sustainable Renewable Energy Sources

While the world's scientists have concluded that we have to fundamentally change the way we produce and consume energy or we will face a global climate catastrophe, Canada is sliding into a recession. Both crises share a common solution: investing in a sustainable clean energy economy today.

Investment in the research, development, and promotion of clean and sustainable renewable energy sources of electrical power and combined heat and power systems in the public sector will create jobs and reduce Canada's reliance upon fossil-fuel and especially coal fired power generation.

Specific programs including the introduction of a national tax credit for residential and small business solar water heaters, support for renewable energy deployment in the North and direct support for community power generation should be considered.

Canada lags behind the rest of the world on the use of renewable energy, yet it has more renewable energy resources than most other countries.

Public regulation of our energy system, and public ownership of renewable energy sources is an important foundation for the green energy economy. Further expansion of privately owned, fossil-fuel based energy capacity for long-term export, is especially dangerous given that NAFTA energy provisions “lock-in” exports. Increased public investment in sustainable energy combined with public regulation of the expanding renewable energy sources, will secure our sustainable energy future while promoting economic growth and job creation.

VII. Tie Investments to Domestic Procurement

Domestic procurement of green technologies will create jobs in the manufacturing sector and beyond while paving the way for new technological development in Canada. The aforementioned public expenditures, especially given the current economic climate, should represent an investment in Canadian jobs and communities.

VIII. Government Acting as a Leader in Operations and Policy

By setting an example for both homeowners and industry, governments and public institutions can show how investments in efficiency save money. Not only is this a wise decision for the government purse, but through domestic procurement the government can create markets for Canadian business and technology and build jobs.

IX. Combine investments with skills training

Green job creation programs should be combined with skills training and jobs development and the increased certification of contractors to support qualified certified trades in a broad range of occupations. This is important to maintain Canada’s competitiveness both to prepare the workforce at large for the skill requirements inherent in green jobs and to ensure that green industries and workplaces do not face a shortage of adequately trained workers.

X. Fund Just Transition

Workers who are displaced or experience wage cuts due to structural economic changes which benefit society as a whole should be fully compensated, as should communities that suffer a negative impact from such changes. Unfortunately, this principle has been often evoked in response to trade-driven economic change, but rarely translated into practice. In creating the legislative framework for investments and expenditures to deal with climate change, the federal government should establish just transition funds. These funds should be governed by an independent just transition board with labour representation. Provinces and Territories must also be urged to integrate just transition into their own climate change plans. The just transition fund would make payments including supporting provincial just transition funds, which should also be governed by boards with labour representation. Across Canada, the funds would be allocated in support of the retraining of workers who lose their jobs due to climate change policies and to compensate workers for any income losses. Communities should also be eligible for support.