

The Honourable William Morneau
Minister of Finance
Ottawa
Canada

August 8, 2020

Dear Minister,

We are writing to share the top priorities of the Green Party of Canada for stimulus spending to restart our economy.

First, let us confirm our support for the emergency spending of the last five months in response to the COVID-19 pandemic. No question that the spending approved has halted a far worse economic outcome for Canada, an improved response to the pandemic in public health terms and avoided much suffering.

We could point out areas of disagreement. For example, we never favoured the volunteer programme for youth, the Canada Student Service Grant, regardless of who administered it. We called for months for massive increases in funding for the Canada Summer Jobs programme as providing more direct help and a decent wage with willing employers. In many cases, we can point to areas where people and businesses are still falling through the cracks. We are particularly concerned that the tourism sector is in free fall.

Nevertheless, we are indebted to you and your departmental officials for massive efforts to meet an unprecedented challenge. We recognize that we are not out of the woods yet. We may need more spending in response to the COVID-19 emergency. As the Smart Restart funds are delivered to the provinces, we are still in response mode to the pandemic.

We urge you to continue using the federal fiscal fire power to re-start the economy.

We also urge that you, and the entire Cabinet, accept and absorb, as a priority matter, the current state of the climate emergency. It is not an "issue" that we can manage with a 2050 deadline. It is much closer. As the Intergovernmental Panel on Climate Change (IPCC) explained in its October 2018 Special Report on 1.5 degrees, failure to take action to reduce by 45% globally against 2010 levels emissions of carbon dioxide will guarantee that we will close the window on 1.5 degrees C. This is not a political target. It is a reality of atmospheric chemistry and physics. When the window closes, it cannot, ever, re-open.

Shooting past 1.5 degrees C implies heightened risks that human civilization cannot survive to the end of this century. Unlike COVID-19, which brings threats to attention in the near term, the climate emergency threatens far larger risks, but over a slower time line. The dreadful aspect (in the literal sense of an aspect that inspires dread) is that decisions we make in the next eighteen months will set an irrevocable course. That course can either take us to climate stability or to an unlivable world within the lifetime of our children. We can suggest some top IPCC Canadian scientists to conduct such a briefing: Dr. Katherine Hayhoe, Dr. Gordon McBean, Dr. Richard Peltier come to mind.

The imperative of climate action requires that Finance Canada adopt a climate lens. Just as dealing with COVID-19 brought Finance Canada into close alignment with public health goals, so too must the next phase be aligned with climate science. That implies zero new fossil fuel expansion and the shuttering of some existing operations.

Top priorities for stimulus spending include:

- 1) No spending – at all – should assist fossil fuels or fossil fuel infrastructure. We urge you to wind up the Canada Development Investment Corporation subsidiary the TransMountain Corporation. Funds are needed for a revamped electricity grid. The Infrastructure Bank has, quite rightly, placed an emphasis on interties to expand interprovincial connectivity. The opportunity costs of TMX are not justifiable.
- 2) Massive investments should be made in renewable electricity generation from wind, solar, geothermal, run-of-the river hydro.
- 3) Investments in mega-dams are not needed nor wise as they are uncompetitive with the dropping price of renewables.
- 4) No investment in nuclear energy is wise, not just due to the inherent toxic and radioactive legacy problems, but because nuclear cannot deliver the job creation, nor be competitive for the cost per kwh, compared to solar, wind or geothermal.
- 5) Invest in a national energy corridor for renewably generated electricity.
- 6) Invest in public infrastructure to support the transition to electric vehicles, both for personal use and public transit.
- 7) Upgrade our built infrastructure to energy efficiency for carbon and carbon negative buildings and a massive programme of building retrofits to reduce GHG from “leaky” buildings and reduce the cost to building owners. Given the long term advantage in energy savings, this programme should be cost shared with commercial and residential owners. The former Eco-Energy Programme provides a template, but this should be much more comprehensive.
- 8) Unleash the buying power of federal procurement to use only “green” concrete, and energy efficient design.

- 9) Deliver on the promised tree-planting promise, using ecologically appropriate trees by eco-region, aiming at two critical needs – urban forests to improve micro-climates and reduce urban heat islands and replanting areas destroyed by forest fires, stabilizing slopes along creeks and rivers.
- 10) Transition funding for all communities and individual workers impacted by the transition off fossil fuels.

Most of the investments on this list are specifically endorsed in the [study published in the Oxford Review of Economic Policy](#), with lead authors Sir Nicholas Stern and Nobel Prize Winning economist Joseph Stiglitz.

Investments in renewable energy, building retrofits and tree planting are identified as particularly strong in restarting the economy, job creation and having solid return on investment:

“We identify five policies with high potential on both economic multiplier and climate impact metrics: clean physical infrastructure, building efficiency retrofits, investment in education and training, natural capital investment, and clean R&D.”

As we move forward in rebuilding our economy, we must seize the moment for transformative change. We urge that your spending embrace the opportunity that is reconciliation with Indigenous peoples.

Looking to our social infrastructure, we urge that the CERB be transitioned to a Guaranteed Livable Income. Over time, we need to negotiate with sub-national governments to establish the appropriate cost of living estimate to eliminate poverty, while those levels of government end programmes that will no longer be needed.

We will continue to need investments in affordable housing, mental health, a senior’s strategy and critically more support for seniors in long term care.

We also call for greater investment in protecting natural ecosystems, including in meeting the targets for marine and terrestrial protection set out in your party’s 2019 platform. We also need support for agriculture in adapting to those levels of climate change that are no longer avoidable and supporting far greater local food security.

In order to continue to spend, we also recommend a dramatic shift in government revenues, collecting a wealth tax and moving to collect off-shore revenue from Canadian individuals and corporations evading taxation at home.

Given the scope of our recommendations, we attach a compilation of specific measures and anticipated costs. Most of these estimates were developed by the Parliamentary Budget Office as we costed our 2019 platform.

We are all available to review these proposals in detail with you or your staff.

With sincere best wishes and hopes that Canada continues to get through this pandemic and set a course to survive through the climate emergency,

Sincerely,



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



Paul Manly
MP, Nanaimo - Ladysmith



Jenica Atwin
MP, Fredericton

Cc: Chrystia Freeland, Deputy Prime Minister
Jean-Yves Duclos, President of the Treasury Board
Catherine McKenna, Minister for Infrastructure and Communities
Seamus O'Regan, Minister of Natural Resources
Jonathan Wilkinson, Minister of Environment and Climate Change
Sean Fraser, Parliamentary Secretary to Minister of Finance

REIMAGINING OUR FUTURE | GREEN PARTY OF CANADA

2020 COSTING

- Renegotiate our social contract — ending poverty and embracing justice
- Rebuild for better
- Convert CERB to GLI
 - Over the longer term, the GPC intends to negotiate with the other orders of government to implement a Guaranteed Livable Income, to effectively eliminate the fear of job loss and poverty. It is not yet clear how much such a program would cost or what cost reductions in existing programs it would enable, nor how such costs and benefits would be shared among governments.
- Establish Council of Canadian Governments made up of four quadrants: federal; provincial and territorial; local; Indigenous — Council must set relative GLI and identify current income assistance and support systems that would be replaced by GLI
 - Council of Canadian Governments
 - \$10 million per year, 2020-2025
 - Total: \$50 million, 2020-2025
- Affordable or free post-secondary education for students, protection for international students
 - Free post-secondary education and student debt forgiveness
 - 2020-2021: \$16,421 billion
 - 2021-2022: \$12,541 billion
 - 2022-2023: \$9,543 billion
 - 2023-2024: \$9,518 billion
 - 2024-2025: \$9,467 billion
 - Total: \$57,499 billion, 2020-2025
- Economy committed to pay equity
 - Pay equity for Canada Post only
 - \$140 million per year, 2020-2025
 - Total: \$700 million, 2020-2025

- Reinventing our economy — a green energy economy
- Rebuild for better
 - Pass legislation committing Canada to reaching net zero carbon by 2050 with five-year increments
 - All-party Climate Cabinet
 - Set Canada's required 2020 GHG reduction target at a level that reflects Canada's fair share of holding global average temperature increase to no more than 1.5°C, and take into account our emissions relative to other countries
 - [Two of the world's leading economists](#), Nobel prize winner Joseph Stiglitz and former Chancellor of the Exchequer Sir Nicholas Stern, say that the investments that will yield the strongest results in restarting the economy are those in renewable energy and energy efficiency retrofits that move us toward a carbon neutral economy. Their recent study involved interviews with over 230 economic experts and members of central banks in all G20 countries. It advises the strongest economic recovery will be green
 - Just Transition Act to protect oil and gas workers
 - Just Transition Act
 - \$400 million first two years, \$300 million last two years, 2020-2025
 - Total: \$1.7 billion, 2020-2025
 - Cancel Trans Mountain pipeline, invest funds in national electricity grid
 - Invest in national electricity corridor — the Canadian Grid Project
 - Funded as a capital asset by re-allocation of funds intended for TMX pipeline
 - Launch a massive program in building retrofits – commercial, institutional and residential – employing millions of skilled tradespeople
 - Massive retrofitting project
 - \$550 million per year, 2020-2025
 - Total: \$2.75 billion, 2020-2025
 - Ensure that to receive a bailout companies provide plans for reducing GHGs, solid and toxic waste, and plans to contribute to the UN Sustainable Development Goals
 - Cancel Acceleration Capital Cost allowance on LNG
 - Revenue generated over 5 years: \$1.333 billion, 2020-2025
 - Cancel development expenses on oil, gas well, and mining development
 - Revenue generated over 5 years, \$12.836 billion, 2020-2025
 - Eliminate exploration expenses for coal mining
 - Revenue generated over 5 years: \$15 million, 2020-2025
 - Eliminate flow-through share deduction for coal, oil and gas projects
 - Revenue generated over 5 years: \$530 million, 2020-2025

- Bar companies using offshore tax havens from access to bailout funds
 - End tax havens
 - Revenue generated over 5 years: \$29.643 billion, 2020-2025

- Institute tax reform – a root-and-branch review of Canada’s tax system is long overdue
 - Bank taxation
 - Revenue generated over 5 years: \$18.542 billion, 2020-2025
 - Corporate tax increase from 15-21%
 - Revenue generated over 5 years: \$71,503 billion, 2020-2025
 - Financial Transactions Tax 0.5%
 - Revenue generated over 5 years: \$82.604 billion, 2020-2025
 - Close Capital Gains Loophole
 - Revenue generated over 5 years: \$68.208 billion, 2020-2025
 - Corporate tax for foreign based e-commerce companies
 - Revenue generated over 5 years: \$4.165 billion, 2020-2025
 - Tax sugary drinks
 - Revenue generated over 5 years: \$1.691 billion, 2020-2025

- Institute taxes on wealth, not just income
 - Wealth tax
 - Revenue generated over 5 years: \$26.783 billion, 2020-2025

➤ **Require evidence-based decision making**

- Government funded research must be made available free to all Canadians
 - Science portal for government-funded research
 - \$5 million per year, 2020-2025
 - Total: \$25 million, 2020-2025

➤ **Remember we are all in this together — we need to take care of each other**

- Fund transformative dementia care
 - National Dementia strategy
 - \$50 million per year, 2020-2025
 - Total: \$250 million, 2020-2025

- National mental health standards and immediate investments in both community-based service organizations and provincial and municipal mental health services to cope with the trauma and anxiety the pandemic is leaving in its wake
 - National Mental Health Strategy
 - \$1 billion per year, 2020-2025
 - Total: \$5 billion, 2020-2025

- National suicide prevention plan
 - National Suicide Prevention strategy
 - \$100 million per year, 2020-2025
 - Total: \$500 million, 2020-2025

- Universal childcare and early childhood education are crucial components in developing comprehensive care for all Canadians. It is time for federally funded and mandated programs
 - Universal Childcare
 - 2020-2021: \$1 billion
 - 2021-2022: \$2 billion
 - 2022-2023: \$3 billion
 - 2023-2024: \$4 billion
 - 2024-2025: \$5 billion
 - Total: \$15 billion, 2020-2025

- Implement national universal Pharmacare
 - Pharmacare for all
 - 2020-2021: \$26.763 billion
 - 2021-2022: \$28.028 billion
 - 2022-2023: \$29.089 billion
 - 2023-2024: \$30.201 billion
 - 2024-2025: \$31.368 billion
 - Total: \$145.449 billion, 2020-2025

- Greater funding for community resources specifically for the most marginalized women
 - Prisoner rehabilitation and integration, especially for Indigenous people and women
 - \$15 million per year, 2020-2025
 - Total: \$75 million, 2020-2025

- Resilience is local and made in Canada
- Restore the natural world

- Housing first policy utilized
 - Rent supplements or shelter assistance through Canada Housing Benefit for 125,000 households
 - \$750 million per year, 2020-2025
 - Total: \$3.750 billion, 2020-2025

- Build more affordable housing
 - Make land available for construction of affordable housing through tax credits
 - \$10 million per year, 2020-2025
 - Total: \$50 million, 2020-2025

- Increase funding for cooperative and supportive housing
 - Co-op and supportive housing funding
 - \$50 million per year, 2020-2025
 - Total: \$250 million, 2020-2025

- Invest in high-speed rail starting with Windsor-Quebec and Edmonton-Calgary
- Investing heavily in affordable, green public transit and healthy transportation that suits the region's needs
 - National cycling and walking infrastructure fund
 - \$100 million per year, 2020-2025
 - Total: \$500 million, 2020-2025
 - National passenger rail system
 - 2020-2021: \$500 million
 - 2021-2022: \$600 million
 - 2022-2023: \$620 million
 - 2023-2024: \$720 million
 - 2024-2025: \$720 million
 - Total: \$3,160 billion, 2020-2025
 - Hybrid or electric ferry systems
 - \$100 million per year, 2020-2025
 - Total: \$500 million, 2020-2025
 - Rural bus transportation
 - \$10 million per year, 2020-2025
 - Total: \$50 million, 2020-2025
 - Green Freight Transport Program
 - \$10 million per year, 2020-2025
 - Total: \$50 million, 2020-2025

- Reinforcing local food supply chains such as farmers' markets
- Encouraging individuals to source locally or grow and make their own food, like the victory gardens of WWI and WWII
 - Land and quota trusts program
 - \$2.5 million per year, 2020-2025

- Total: \$12.5 million, 2020-2025
 - Support rooftop, community gardens, and urban food production systems
 - \$5 million per year, 2020-2025
 - Total: \$25 million, 2020-2025
- Providing funding to agriculture and farmers, especially small and ecological farms
 - Farm Grants Program
 - \$50 million per year, 2020-2025
 - Total: \$250 million, 2020-2025
 - Research and support for farmers transitioning to regenerative farming
 - \$10 million per year, 2020-2025
 - Total: \$50 million, 2020-2025
 - Agricultural education fund
 - \$70 million per year, 2020-2025
 - Total: \$350 million, 2020-2025

➤ Respect Indigenous self-determination and Canadian decolonization

- Fund the programs Indigenous groups identify as required to return to a new reality after COVID-19
- Increase government support to Indigenous people living off reserve
- Continue to work towards the needs that have already been raised, so Indigenous services in health care, education, housing and water are equivalent to similar services for non-Indigenous Canadians
 - Training and employment programs for Indigenous and northern communities
 - \$15 million per year, 2020-2025
 - Total: \$75 million, 2020-2025
 - Invest in Indigenous infrastructure
 - \$750 million per year, 2020-2025
 - Total: \$3.750 billion, 2020-2025

➤ Recommit to strong action on climate adaptation

- Plant billions of ecologically appropriate and fire-resistant trees
- Create large fire breaks around at-risk, remote communities to save lives
- Build dikes to protect communities already built in floodplains
 - Disaster infrastructure
 - \$3 billion first two years, \$1 billion last three years, 2020-2025
 - Total: \$9 billion, 2020-2025

- Transition to a low-waste economy to reduce the use of finite resources
 - Food waste strategy
 - \$5 million per year, 2020-2025
 - Total: \$25 million, 2020-2025
- Reduce or ban single use plastics other than those required for public health protection
 - Action on ocean plastics
 - \$35 million per year, 2020-2025
 - Total: \$175 million, 2020-2025

➤ Restore the natural world

- Increase national parks
- Increase accessibility of national parks
 - Restore funding to Parks Canada
 - \$50 million per year, 2020-2025
 - Total: \$250 million, 2020-2025

➤ Rebuild for better

➤ Resilience is local and made in Canada

- Increase support for the Canada Council for the Arts
 - Funding to arts and culture organizations
 - \$25 million per year, 2020-2025
 - Total: \$125 million, 2020-2025
- Create an ad-free CBC
 - Funding to CBC
 - \$300 million per year, 2020-2025
 - Total: \$1.5 billion, 2020-2025
- Enacting a universal broadband strategy to give Canadians across the country and in remote areas access to reliable internet
 - Universal broadband strategy
 - \$400 million per year, 2020-2025
 - Total: \$2 billion, 2020-2025