

Ottawa Journal: Liberal Government's Plan to Phase out Coal-Powered Electricity

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On November 21, the Honourable Catherine McKenna, Minister of the Environment and Climate Change, announced that the current Liberal Government will be accelerating the plan to phase out coal-powered electricity.

Interestingly, this announcement was made in advance of the upcoming First Ministers' Meeting in December, which raises concerns about the Prime Minister's respect for federal-provincial-territorial relations and disregard for the impact such steps will have on Canadian businesses and, ultimately, Canadian jobs and investment.

The Conservative Official Opposition believes that environmental stewardship and economic growth go hand in hand. In fact, in September 2012, it was the previous Conservative government that established regulations to reduce greenhouse gas emissions from the coal-fired electricity sector.

Canada was effectively the first country to ban the construction of traditional coal units under these guidelines.

According to the current Liberal government, their amendments to the regulations established by the previous Conservative government will ensure that all traditional coal-fired units meet a stringent performance standard of 420 tonnes of carbon dioxide per gigawatt hour (tCO₂/GWh) by no later than 2030.

The previous Conservative government's policy was designed to get maximum effect with minimum cost; however, this acceleration by the current Liberal government will come with a much higher bill. The Liberal government is misleading Canadians about the true costs of phasing out coal.

For example, we can look at the skyrocketing energy costs paid by consumers here in Ontario with the highest rates in North America.

The current Liberal government is also failing to take into account trade considerations with the United States (U.S.) in regards to Canada's competitive advantage with our largest trading partner and the impact this will have on Canadian businesses.

The acceleration of the plan to phase out coal-powered electricity, combined with an imposed federal carbon tax, will result in Canadian businesses facing major competitive hurdles when the United States is taking an opposite approach of reducing electricity costs by increasing coal production and reducing the U.S. corporate tax rate to 15 per cent. It's most disappointing that the current Liberal government appears to be intent on tilting the playing field against Canadian businesses. The consequences of taking such action will be the loss of Canadian jobs and investment.

The timing of the recent announcement of accelerating the regulations by the current Liberal government is also concerning. The November 21 announcement precedes the upcoming First Ministers' Meeting to establish a National Climate Change Plan, scheduled for early December.

In making this announcement before the First Ministers' Meeting, the current Liberal Government is demonstrating its disrespect for federal-provincial and territorial relations.

The Conservative Official Opposition is against the federal government increasing the overall tax burden on Canadians. We believe Canada needs an approach that is realistic and achievable, which also finds the appropriate balance of protecting the environment

and growing our economy.