



**GREATER CHARLOTTETOWN AREA
CHAMBER OF COMMERCE**

PROVINCE OF PRINCE EDWARD ISLAND

**RECOMMENDATIONS FOR THE DEVELOPMENT OF A 2016 CLIMATE CHANGE MITIGATION
STRATEGY - RESPONSE**

SUBMITTED TO

Department of Communities, Land and Environment

November 18, 2016



GREATER CHARLOTTETOWN AREA
CHAMBER OF COMMERCE

November 18, 2016

Honourable Robert J. Mitchell
Minister, Communities, Land and Environment
P.O. Box 2000
Charlottetown, PE C1A 7N8

Re: Request for Submissions - 2016 Provincial Climate Change Mitigation Strategy

Dear Minister Mitchell:

The Greater Charlottetown Area Chamber of Commerce has been following developments regarding the provincial government's proposed Climate Change Mitigation Strategy with great interest. We appreciate this opportunity to share the views of our Policy and Advocacy Committee on behalf of the Chamber's close to 1,000 members.

The Chamber recognizes that the provincial government must introduce sound public policy in a timely fashion to mitigate the effects of climate change on our province. With the impacts of climate change a current reality, rather than a future problem, the Chamber also recognizes that significant planning and investment must also be made in adaptation measures. With the matter of finite financial resources an important consideration, it will be essential in the coming months to weigh competing adaptation and mitigations priorities to develop the most well-rounded plan for Prince Edward Island.

The Chamber commends the provincial government for the thorough, multi-phase, consultative process it has followed thus far. Regarding the latest discussion document, the Chamber supports the approach to quantify the province's top three emitters (transportation, agriculture and buildings) and develop solutions based on those areas to achieve the most substantial emission reductions.

In terms of recommendations, the Chamber strongly encourages the province to conduct a comprehensive cost-benefit analysis of the proposed actions. Again, in consideration of finite financial resources, the Chamber would caution against the development of an abundance of small programs which have the potential to create an increased administrative burden with limited gains in emissions reductions. The Chamber supports the Atlantic Chamber of Commerce's (ACC) recommendation that the Province focus first on energy efficiency as the least expensive way to reduce emissions. Further to this, the Chamber stands with the ACC in

its hesitancy to endorse the creation of an independent efficiency utility, given that many of the technologies and administrative capacities may already exist within government.

Finally, the Chamber would like to address the topic of carbon pricing, as we believe this issue to be the one with the most significant impact for the broadest number of our members.

The Chamber is well aware that carbon pricing is already a reality for 80% of Canadians. With that, and the federal government's announcement regarding the imposition of carbon pricing should the provincial governments fail to implement plans of their own, the Chamber will not dispute the inevitability of carbon pricing. We do, however, have some recommendations around what type of model would be best for Prince Edward Island and its overall economic prosperity.

Based on our research, and in agreement with the ACC, the Chamber prefers the 'carbon tax' model over 'cap-and-trade', primarily due to the decreased administrative costs which we believe would be more appropriate for a province of our size.

Furthermore, the Chamber strongly recommends a carbon tax system that offsets business and personal taxes with funds collected through carbon taxation. This point cannot be over-stated. It is a recommendation that has been suggested by numerous respondents to this consultation process, and a detail that the Chamber believes is essential to any carbon pricing plan developed by the provincial government.

British Columbia's carbon pricing model initially established the province as a global leader in climate policy, with little impact to its economic competitiveness. There remains work to be done to maintain that model's effectiveness in emissions reduction, but the Chamber feels that it provides a good starting point. In the interest going further to assist businesses and the public decrease their overall consumption, the Chamber suggests a hybrid system that offsets some personal and business tax and also introduces a select few proven, cost-effective government mitigation programs.

Thank you for your consideration of the views of our members on this important business and community issue. We look forward to working with you throughout the next stages of this consultation process.

Respectfully submitted,



Pam Williams
President, GCACC



Penny Walsh McGuire
Executive Director, GCACC