

PUTTING A TAX ON CARBON

Introduction

Focus

The Liberal Party of Canada, under its leader Stéphane Dion, has proposed a nationwide carbon tax to help reduce the amount of carbon emissions produced in this country. The party's plan, the Green Shift, will be a key plank in the Liberal platform in the upcoming election. This *News in Review* module examines the Liberal proposal, some of the reasons why it was developed, and the reaction of the governing Conservatives and other interested parties. We also look at the new British Columbia carbon tax, in some ways a model for the Liberals' Green Shift.

Further Research

The (U.S.) Carbon Tax Center has an article on its Web site listing the major arguments for a carbon tax as the best way to put a price on carbon emissions at www.carbontax.org/issues/carbon-taxes-vs-cap-and-trade/.

As of the end of August 2008, it seemed inevitable that Canada would be having a federal election sometime in the fall—and probably as early as October. One of the key issues in that election will be climate change. For the Liberal Party, climate change will be a central issue of their campaign.

Liberal leader Stéphane Dion concluded some time ago that the environment was one issue where the Liberals could readily distinguish themselves from the governing Conservatives. Dion served as environment minister in an earlier Liberal government, and environmental policy remains an area of great interest to him—one in which he believes he has considerable expertise.

Dion and the party gave a great deal of attention to developing a policy to address what they feel is one of Canada's biggest needs: finding a way to significantly reduce Canada's greenhouse gas emissions. Dion wanted a policy that would do three things: put a price on carbon emissions, produce a dramatic reduction in those emissions, and be completely distinct from the proposals of the governing Conservatives for reducing such emissions.

For Dion, the solution was a carbon tax—a fixed amount per tonne of carbon emitted by individuals and industries as a result of burning fossil fuels. The carbon tax is one major method of affixing a cost to carbon emissions and is an instrument already used by some European countries. The Liberals call their proposal to bring in such a carbon tax the Green Shift.

It is not a solution that came readily to Dion. At the time of the Liberal leadership convention in 2006, he was opposed to the idea. The one Liberal

candidate supporting a carbon tax at that time was Michael Ignatieff—and his support for it was tepid at best.

Nonetheless, by early 2008 Dion was clearly warming to the idea of a carbon tax. Helping him make the change was a surprise proposal by British Columbia Premier Gordon Campbell and his ruling Liberal Party. They indicated that they would introduce Canada's first real carbon tax in their next budget. (For a description of the B.C. Carbon Tax, see "B.C.'s Carbon Tax Plan: The FAQs" on page 12 of this guide.)

While the details differ somewhat from the Green Shift, B.C.'s carbon tax shares one important feature with Dion's proposal. It is intended to be revenue neutral. This means that the new tax on fossil fuels will be offset by tax breaks in other areas—especially in personal income taxes and in corporate taxes.

The expectation is that taxpayers will find that the carbon tax does indeed raise the price of things like gasoline and heating fuels, encouraging them to use less of these products. On the other hand, they will be compensated by reduction in other taxes—meaning that the government will not be taking in additional revenue from the carbon tax.

Other developments also encouraged the Liberals to move on a carbon tax. Once again some of the provinces took the lead. Feeling that the federal government was abdicating its responsibilities in the battle against climate change, Quebec and Ontario signed a memorandum of understanding to limit the amount of greenhouse gases their industries will be permitted to emit. Companies emitting more than permitted will have to pay a fee to those companies that are under the limits.

Further Research

A copy of the complete Green Shift document is available at thegreenshift.ca/pdfs/green_shift_book_en.pdf.

And four provinces along with seven U.S. states have become partners under the Western Climate Initiative (WCI – www.westernclimateinitiative.org). This will be a “cap-and-trade” mechanism for greenhouse gas emissions similar to European models. As described by *The Globe and Mail* (July 24, 2008): “The program would grant each participating province (British Columbia, Manitoba, Ontario, and Quebec) an allocated and declining cap for each year from 2012 to 2020, set in advance. Those caps have not yet been set, but would be based on population, electricity consumption and production, and economic activity—not on current efficiency, the WCI report says. As such, the most efficient provinces in 2012 could sooner sell credits to other regions, creating a revenue stream.” The four provinces involved have 80 per cent of Canada’s population and are responsible for 49 per cent of its greenhouse gas emissions.

Dion also believes that voters are prepared to back his new plan. Certainly, there have been indications that Canadians are ready to support some sort

of carbon tax. On November 29, 2007, *The Globe and Mail* reported: “A recent GlobeScan poll found that four out of five Canadians favour raising taxes on energy sources that cause climate change if other taxes are reduced by the same amount.” At that time, the environment and climate change were the top issue for Canadians.

But rising energy costs and a faltering economy have made their impact on voters. Recent polls show that the environment is now third on the list of voters’ concerns. Whether Dion and the Liberals can focus voters on the issue and their proposal during the coming campaign remains to be seen. Many Liberal Party members fear that it is the right proposal at the wrong time.

Nevertheless, Dion has proposed what to many was, until recently, unthinkable—a national carbon tax for Canada. He has concentrated the attention of many Canadians on the real cost of greenhouse gas emissions and has begun a debate that may well continue for some time.

For Discussion

Some economists have noted that the recent increase in the cost of gasoline has had a noticeable impact on the amount of oil consumption in North America. They argue that there is no need for a carbon tax because, as prices rise, market forces will ensure that people cut back on the use of fossil fuels. Do you agree or disagree with this point of view? You may want to revisit this question after watching the video and its description of the effects of the mid-1970s oil crisis on the American automobile industry.

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Video Review

Answer the questions in the spaces provided.

1. a) What is the initial amount of carbon tax per tonne of greenhouse gas emissions under the Liberal proposal?

b) What is the amount after four years?

2. a) What would be the increase in home heating costs for an average family using heating oil?

b) What is the increase for a family using natural gas?

3. What are some of the ways in which the carbon tax would be offset?

4. How does Prime Minister Stephen Harper describe the plan?

5. What does the National Round Table on the Environment, a government advisory body, suggest a carbon tax would lead to?

6. Why do all three of Canada's northern territorial leaders argue that a carbon tax would be an unfair burden on northerners?

7. According to Kelly Crowe, what has happened to greenhouse gas emissions as climate talks have become more intense?

8. Danny Harvey says we are hardwiring two dependencies into Canadian suburban design. These are:

a) a dependence on _____
and

b) a dependence on _____

9. What is the current source of most of the cheapest energy?

10. How has the average fuel efficiency of automobiles changed since 1986?

11. How long did it take Canada's fuel efficiency legislation for automobiles to be proclaimed into law?

12. What changes do economists say are needed to actually reduce greenhouse gas emissions?

For Discussion

Many members of Stéphane Dion's own caucus have criticized him (at least privately) for insisting on releasing his Green Shift proposal at a time when oil prices were rising significantly. Others have praised him for sticking to his principles even in a politically difficult time.

Would you describe Dion's position as principled or foolish? Explain.

Do you think Canada's role in climate change will be a key debate in the upcoming election?

If the Liberals lose the next election, do you think they will continue to back carbon taxation as party policy?

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The Problem with Carbon

Quote

“Economists have understood for nearly a century that a fundamental flaw in our market economy is its failure to fully account for impact on the environment. Indeed, in most of Canada, carbon is released into the atmosphere without any charge (and with few regulatory restrictions). That’s despite the fact that global warming will impose massive costs on society—as is already being witnessed in B.C.’s devastated pine forests, Ontario’s lowering Great Lakes, and the Arctic’s melting permafrost.”
— Clive Mather, Nancy Olewiler, and Stewart Elgie (*The Globe and Mail*, November 29, 2007)

Why a carbon tax? The answer is very straightforward. A carbon tax is one way of putting a price on the real cost of burning fossil fuels—a cost that is far higher than the price paid by consumers and businesses when they purchase that fuel.

Since 2007, when the Intergovernmental Panel on Climate Change (IPCC) issued its latest reports, there have been few people who doubt the reality that the Earth is warming and that human activity is playing a significant role in that warming. The IPCC, made up of hundreds of the world’s leading climate scientists, claims with over 90 per cent certainty that the human contribution to climate change is significant.

The human contribution is caused by the release of gases that result from the burning of fossil fuels. There are six trace gases created by human activity, but by far the most significant contributor to the greenhouse effect is carbon dioxide (CO₂). It is the release of carbon dioxide that is being targeted by the proposed carbon tax.

CO₂ is the most dangerous of the greenhouse gases because it persists for many years in the atmosphere. The amount of CO₂ in the atmosphere is currently 380 ppm (parts per million), a 33 per cent rise since the start of the Industrial Revolution. Scientists believe it could reach a figure double that of the pre-industrial level within a few decades.

Carbon, Climate Change, and Canada

Canada is already feeling the effects of climate change. One has only to look to the Arctic Ocean and its ever-decreasing ice cover to recognize that change is taking place.

Most climate scientists believe that average temperatures in Canada are on the rise, and that, no matter what action we take now, they will continue to rise until at least 2025. If no action is taken, and temperatures continue to rise, scientists expect some dramatic results.

Among them:

- A drop in the amount of ice cover in the Great Lakes (a result of warmer air and water), causing greatly increased evaporation
- A reduction in snow cover by mid-century everywhere in Canada except the Arctic
- An increase in the intensity of storms across Canada from the Pacific
- Increased drought in already dry regions

At current levels of carbon dioxide, the global temperature will rise 1.8 to 4.0 degrees Celsius by the end of the century. This increase will be even greater in the higher latitudes, including Canada. René Laprise, a specialist in regional climate modelling at the University of Quebec’s Montreal campus told CBC News: “These temperature increases could exceed 10 degrees [Celsius]. Warming on average in Canada would increase four to six degrees Celsius, with a smaller change in the south and an increase of 10 degrees in the north” (www.cbc.ca/news/background/climatechange/unreport-2007.html).

While it would seem very much in Canada’s interest to become a leader in carbon abatement practices, this country is currently one of the leading per capita emitters of greenhouse gas. The boom in oil sands development and the generation of coal-fired electricity have both contributed to a steady increase in these emissions.

Quote

"The reality is that the climate system counts molecules. The number of CO₂ molecules going into the atmosphere is what drives the climate system and that is the number that has to be addressed globally. You have to do that in a way that actually addresses the emissions per se, not relative to something else." — Gordon McBean, chairman of the Canadian Foundation for Climate Change and Atmospheric Science, *Toronto Star*, February 2, 2007

G8

G8 is the short name for the group of eight leading industrialized countries: Germany, France, the United Kingdom, Italy, Japan, the United States, Canada (since 1976), and Russia (since 1998).

Environment Canada has reported a 39.4 per cent increase in greenhouse gas emissions in Alberta between 1990 and 2004. By 2005, Alberta had seven of the 10 biggest industrial polluters in Canada, and its industries ranked first in greenhouse gas production in the country. Second only to Alberta was Ontario, the manufacturing centre of the country.

In the period from 1990 to 2005, when Canada was committed to reducing greenhouse gases under the Kyoto Protocol, greenhouse gas emissions actually rose by 25 per cent. This was the biggest percentage increase among all the G8 countries.

Analysis

1. Would you accept taxation as a way to reduce carbon emissions? Why? Why not?
2. How would your family likely respond to a tax on carbon? Why?

Carbon emissions are a major problem worldwide. The problem is expected to increase as the demand for fossil fuels increases, especially in developing nations. The only real solution to slowing and stopping global warming is to decrease the amount of carbon dioxide released into the atmosphere. A carbon tax—and one large enough to ensure that fossil fuels are expensive to use—is one of the methods proposed to deal with this problem. Carbon taxes have proven valuable in reducing greenhouse gas emissions in some European countries but are very new to Canada.

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B.C.'s Carbon Tax Plan: The FAQs

Further Research

The official Web site describing B.C.'s new carbon tax program is at www.smartchoicesbc.ca/EN/home/.

Further Research

For information on the Quebec carbon tax visit the CBC Web site at www.cbc.ca/canada/montreal/story/2007/06/07/carbon-tax.html.

Is the British Columbia carbon tax the first Canadian carbon tax?

Not completely. In 2007 Quebec decided to collect a carbon tax from the province's petroleum companies. The tax was set at 0.8 cents per litre on gasoline and 0.9 cents per litre on diesel fuel. The tax raises about \$200-million per year. B.C.'s tax is intended to have a much greater impact on the province's greenhouse gas production.

What is being taxed?

The plan applies to pretty much all fossil fuel products. It includes gasoline, diesel, natural gas, coal, propane, and home-heating fuel.

How much is the tax?

The tax began on July 1, 2008, and the charge is currently \$10 per tonne of greenhouse gas emissions. Over the next four years the amount will rise by \$5 per tonne. In 2012 the tax will be \$30 per tonne.

How will the tax affect the price of gasoline, for example?

Initially, the price of gasoline rose by about 2.3 cents per litre. In 2012, the tax will be bringing in about 7.24 cents per litre.

What will be the increased annual energy costs for the average household?

The increased cost in the first year of the program is expected to be about \$200.

How much money will the carbon tax raise?

The tax is expected to raise about \$1.8-billion over the first three years.

How will the money be used?

The B.C. plan is designed to be revenue neutral. This means that the money will not be used for government spending programs. It is to be used for tax cuts in other areas.

How might this tax shifting work?

The government will likely use some of the money to lower personal and corporate income taxes. It may also use some of the funds to invest in clean air technology development by universities and corporations.

Has such tax shifting been used successfully by other governments?

Consider this example from *The Globe and Mail* (November 29, 2007): "The canonical example is Germany. In 1999, it began to phase in higher taxes on electricity, gasoline, fuel oil, and natural gas. The government used the new tax revenues to finance reductions in social security contributions from both employers and employees. The reforms included special protections for vulnerable industries and low-income individuals to ensure they weren't disproportionately affected (an important lesson for B.C. to follow). The result: 250 000 new jobs and a reduction of 20 million tonnes of carbon dioxide emissions in 2003 alone (equivalent to taking five million cars off the road)—and a significant step toward the much deeper cuts needed to prevent dangerous climate change."

Are there winners and losers under the new carbon tax?

As the plan stands, consumers are expected to pay about one-third of the

tax but receive almost two-thirds of the tax benefits. Businesses will pay two-thirds of the tax but get only about half of what they pay back in the form of tax cuts and benefits. Northern B.C. residents also argue that they, as major fossil fuel users, will spend far more than their southern B.C. counterparts on the carbon tax.

How have consumers and others reacted to the carbon tax?

Reaction to the tax by B.C. residents has been mixed, but more positive than negative. Environmental organizations have united behind it. Many consumers have been won over by the revenue-neutral aspects of the tax and by a \$100-

per-person “Climate Change Dividend” that the government offered every B.C. resident in its 2008 budget.

Among those opposed to the tax are some northern residents, suburban commuters, and businesspeople. Somewhat surprisingly, the provincial New Democratic Party, to the dismay of environmentalists, voted against the legislation.

Is the carbon tax expected to have an impact on British Columbia’s economic growth?

The B.C. government has estimated that the cost this year will be \$167-million in lost economic growth. This amounts to a reduction of about 0.1 percent per year.

For Discussion

The Globe and Mail (March 10, 2008) suggests that one of the really significant aspects of the B.C. plan is its tax shifting, “that is imposing a tax on carbon while reducing other taxes so that consumers and businesses still have money to spend on more energy-efficient cars, homes, appliances, and so on.” Is it realistic to expect that consumers will use these tax reductions to spend more on energy efficiency? Why or why not?

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Dion's Green Shift/Harper's Turning the Corner

Further Research

More information and copies of both plans are available on the Web. *Turning the Corner* is available at www.ec.gc.ca/doc/virage-corner/2008-03/541_eng.htm. See also the government Web site *ecoACTION* at www.ecoaction.gc.ca/index-eng.cfm. *The Green Shift* is available at thegreenshift.ca/pdfs/green_shift_book_en.pdf.

Further Research

An excellent description of the process of carbon sequestration is available from the CBC at www.cbc.ca/news/background/kyoto/capturing-carbon.html.

The Liberals' Green Shift is a response to the current official Canadian plan for reducing carbon emissions. Called *Turning the Corner*, the plan was developed by the Conservative government under Stephen Harper and released in April 2007. Further details were released in March 2008.

What follows is a brief description of each of the plans.

Turning the Corner

Turning the Corner targets industrial emitters, who are responsible for about 51 per cent of the greenhouse gases emitted in Canada. It is unique in that it has regulations to deal with air pollution as well as fossil fuel emissions. It has three major aims when it comes to greenhouse gas emissions:

- To force industries to reduce those emissions
- To set up an emissions trading market so that industries that meet and better their targets can sell credits to those that exceed theirs
- To establish a market price for carbon

The list of industries affected includes (www.ecoaction.gc.ca/news-nouvelles/20070426-13-eng.cfm):

- electricity produced by combustion
- oil and gas (including oil and gas, oil sands, and pipelines)
- forest products (including pulp and paper and wood products)
- smelting and refining (including aluminum, alumina, ilmenite [titanium], and base metal smelting)
- iron and steel
- cement, lime, and chemical production
- some mining sectors (including iron-ore, pelletizing, and potash)

The plan is intended to produce an absolute reduction in emissions by 2012, and a 20 per cent reduction (compared with 2006 levels) by 2020. The long-term target sees emission levels reduced by 70 per cent in 2050.

It is important to note that *Turning the Corner* sets targets based on units of production (sometimes called intensity targets). This means that an industry, if it is experiencing strong growth, may reduce the number of emissions it produces per unit; but, because of its growth, actually emit more carbon than before the plan went into effect. This is especially of concern in industries like oil sands development. To counter this possibility, the government is insisting that ways must be found to sequester carbon emissions from industries like the oil sands.

The Green Shift

The Liberal Green Shift is a direct tax on fossil fuels whose burning results in the emission of greenhouse gases. As proposed it applies to coal, oil, and gas, but not to gasoline, which is already subject to a federal excise tax.

The tax would begin at \$10 per tonne of carbon emissions, rising to \$40 per tonne in the fourth year of the plan. The cost to an average household is estimated at \$225 to \$250 per year.

The tax, once fully implemented in Year 4, would raise over \$15-billion.

The tax is designed to be revenue neutral. The money raised would be returned to individual taxpayers through tax cuts or credits. The personal income tax rate for those in the lowest income bracket would be cut from 15 to 13.5 per cent; the middle bracket from 22 to 21 per cent; and the highest from 26 to 25 per cent.

Further Research

For a detailed analysis of some of the advantages and disadvantages of the two plans to reduce carbon emissions in Canada, see "Jack Mintz: Regulation vs. Taxes," published in the *Financial Post*, at <http://network.nationalpost.com/np/blogs/fpcomment/archive/2008/06/27/jack-mintz-regulation-vs-taxes.aspx>.

Canadians living in the North and rural Canadians, both of whom are more dependent on fossil fuels, would receive a larger tax break. Business and corporate taxes would also be cut. Businesses involved in green technologies and research would receive an additional break.

Noteworthy is the fact that the Liberals intend to use some funds from the plan to implement aspects of their anti-poverty agenda. Among the measures proposed are:

- a guaranteed income supplement for as many as 500 000 poor families
- an increase in the guaranteed income supplement for senior citizens
- an increase in the child tax benefit supplement
- \$5-billion to be spent over five years to improve Aboriginal living conditions (as promised by the Kelowna Accord, which was repudiated by the Conservative government)

For Discussion

1. Which plan do you favour to reduce carbon emissions: a legal limit on emissions, or a carbon tax on emissions? Why? (Senior students may wish to consult the article by Jack Mintz before the discussion).
2. Some observers have commented that the Liberals have weakened their case for a carbon tax by tying revenue from the tax to their anti-poverty agenda. Do you agree or disagree with this assessment?

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Other Voices

Further Research

To stay informed about the position of Canada's major political parties on environmental issues, consider a visit to their official Web sites: Conservative: www.conservative.ca, Liberal: www.liberal.ca, NDP: www.ndp.ca, Bloc Québécois: www.blocquebecois.org, Green Party: www.greenparty.ca.

Reaction to the Liberal Green Shift proposal has, as you might imagine, been mixed. While the next election will really determine whether it ever becomes government policy, all kinds of individuals have been eager to express their views. Among them was the Prime Minister, who didn't mince his words.

On June 21, 2008, *The Globe and Mail* summed up Harper's views: "Prime Minister Stephen Harper said yesterday the Liberals' so-called green shift would 'screw everybody across the country,' comparing leader Stéphane Dion's carbon tax to the national energy program of the 1980s. After previously labelling Mr. Dion's plan 'insane' and 'crazy,' Mr. Harper continued to firebomb the Liberal proposal with indelicate language."

Liberals, of course, were incensed. Deputy leader Michael Ignatieff responded on their behalf: "This man is the Prime Minister of the country. It's undignified and it's an insult to the intelligence of Canadians," he said. "We've had the grease spot, we've had attack ads, and now we have 'crazy,' 'insane' and 'screw.' This is not the language of debate, this is the language of insult."

Here are some other responses to the Green Shift's proposals.

From Politicians

John Baird, federal environment minister (*The Globe and Mail*, May 12, 2008): "It's a gas-tax increase. It's a tax on home-heating fuel. It's a tax on natural gas for people to heat their homes and hot water tanks. It's a tax on electricity. It's just one big Dion Liberal tax grab."

Jack Layton, Leader of the New Democratic Party (*The Globe and Mail*, May 23, 2008): "Those advocating a carbon tax suggest that by making the cost of certain things more expensive people will make different choices, but Canada is a cold place, and heating your home really isn't a choice. We shouldn't punish people, and that's what a carbon tax does."

Elizabeth May, Leader of the Green Party (*The Globe and Mail*, May 9, 2008): "If the Liberals do this and they're the first federal political party other than the Green Party to call for a carbon tax, I'll be saying 'good for them.'"

Bill Boyd, Saskatchewan Energy and Resources Minister (*The Globe and Mail*, June 28, 2008): "It's going to dramatically impact upon our economy and we're just not in favour of it in any way."

John Godfrey, Liberal MP (*The Globe and Mail*, May 12, 2008): "You cannot have both a fight against climate change and cheap gas. This is not possible. You have to pick one."

From the Private Sector

Deryk King, chairman and chief executive officer of Direct Energy (*The Globe and Mail*, February 11, 2008): "Most business leaders in Canada now recognize that business must act to significantly reduce greenhouse gas emissions. We also recognize that there is a price attached to that action. Carbon abatement is fast becoming just another cost of doing business. It is a corporate responsibility."

“A carbon tax is not a good mechanism for reducing greenhouse gas emissions. A much better, more effective route is a cap-and-trade system with auctioned allowances, under which government sets the future target for emissions—the cap—and turns to free-market mechanisms to achieve those targets.”

Stephen Hazell, executive director of Sierra Club Canada (*The Globe and Mail*, May 21, 2008): “The carbon tax has a huge advantage over cap-and-trade in that it can be put in place very quickly and deliver results very quickly, whereas cap-and-trade, it’s taken Europe decades to get that one figured out.”

Janice MacKinnon, professor of public policy at the University of Saskatchewan (*The Globe and Mail*, June 11, 2008): “As we look to the future there are important debates we must have about the best way to put a price on pollution and reduce greenhouse gas emissions,

while keeping Canadian companies competitive in an international marketplace.

“If we do adopt a national carbon tax, we will need to look carefully at how it can be implemented without fuelling regional alienation and federal-provincial confrontation. If the Liberals do propose a federal carbon tax, they must keep these issues in mind, and not promise already skeptical voters an income tax cut they may not be able to deliver.”

Derek DeCloet, business columnist (*The Globe and Mail*, June 7, 2008): “The hard truth—and if politicians were devoted to telling the truth, they’d say this—is that if the people of the United States, Canada, and the rest of the developed world really want lower energy costs, there’s only one solution that’s guaranteed to work, a policy so simple, it can be described in two words: Use less.”

Follow-up

Read through the quotations and make two lists—positive and negative—of the various aspects of a carbon tax given in the views of its proponents and opponents. On the basis of these statements, is there a strong case to be made one way or the other? If you had to vote on this issue, would you support or oppose a tax on carbon?

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Activity: The Debate

Will the Green Shift plan work for Canadians? Will it actually lead to a reduction in Canada's greenhouse gas production? Or is it just another tax grab that will, as the Prime Minister suggests, "screw" all Canadians?

Here is your chance to take a side on this significant election issue. But before you argue your case, it's time to do some research and gather arguments and information.

The Topic

Resolved, that Canada should adopt a carbon tax to assist it in lowering its greenhouse gas emissions.

Teams should consist of two members arguing each side of the question. Each team should have a four-minute opening argument and be allowed a two-minute rebuttal.

Here are some sources that may be consulted to help in developing arguments:

Neutral (more or less)

1. www.cbc.ca/news/background/kyoto/carbon-tax.html
2. http://thegreenpages.ca/portal/ca/2008/06/carbon_tax_or_cap_and_trade.html
3. www.green-business.ca/index.php/Features/Carbon-tax-or-trade.html
4. www.nationalpost.com/news/story.html?id=552899
5. www.ctv.ca/servlet/ArticleNews/story/CTVNews/20080609/carbon_tax_080609/20080609

Pro

1. www.thegreenshift.ca/default_e.aspx
2. www.davidsuzuki.org/files/climate/Briefing_Note_-_BC_Budget_2008.pdf
3. <http://network.nationalpost.com/np/blogs/fullcomment/archive/2008/06/02/jack-mintz-on-the-carbon-tax-the-best-of-a-costly-lot.aspx>
4. http://pubs.pembina.org/reports/BC_Carbon_Tax_Reality_Check.pdf

Con

1. www.ndp.ca/page/6440
2. <http://cnews.canoe.ca/CNEWS/Politics/2008/08/21/6527446-cp.html>
3. www.conservative.ca/EN/1091/100824
4. www.uofaweb.ualberta.ca/govrel/news.cfm?story=80295

The outcome of the debate will be determined by a vote of the entire class.