

Canada needs much higher carbon tax to meet climate target: study

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An iceberg off King's Point in Newfoundland, Canada: The United Nations warns the world must slash its emissions of planet-warming greenhouse gases by 7.6 percent every year to 2030 to avert devastating climate change

Canada's projected carbon tax must be more than quadrupled over the

next 10 years to meet its Paris Agreement commitment to slash CO2 pollution, economists said in a report Wednesday.

Carbon pricing is the primary measure undertaken so far by Prime Minister Justin Trudeau's government to reduce Canada's [greenhouse gas emissions](#) by 30 percent from 2005 levels by 2030.

Introduced earlier this year, the fuel levy—one of the few of its scope in the world—was applied to four of Canada's 10 provinces that have not brought in their own equivalent measures.

It was initially set at Can\$20 per ton of emissions, adding four cents to the cost of a liter of gasoline, and is set to rise incrementally to Can\$50 per ton.

But the Ecofiscal Commission—an independent group of academic economists and former Canadian political leaders—said in a report this "will not be enough to ensure that the country meets its [international commitments](#)."

"Our analysis indicates that this is possible if the national price of carbon reaches Can\$210 (US\$160) per ton by 2030," which represents an increase of about 40 cents per liter of gasoline.

The report notes that Canada could also achieve its CO2 reduction target through a combination of regulations and subsidies, but cautions that those measures would cost more.

Ottawa's own projections show its climate plan will fall short of its target, unless beefed up. But the Trudeau administration has yet to say what further actions it is prepared to take.

In order to limit [global warming](#) to 1.5 degrees Celsius and avoid a

climate disaster, the world's fossil fuel emissions will need to fall by 7.6 percent per year through to 2030, the UN said on Tuesday.

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