What The World Can Learn From Canada's Climate Policies And Laws



Climate change is a global challenge that requires global solutions. As countries around the world implement their own legislation and regulations to help tackle climate change and reach net zero emissions, there are opportunities for these countries to learn from Canada's approach—and vice versa.

Torys counsel <u>Claire Seaborn</u>, who was formally Chief of Staff to the Minister of Energy and Natural Resources Jonathan Wilkinson, spoke on the *Electric Ladies* podcast to discuss Canada's energy and climate change policies, examine how they are working, and explore what more Canada can do strengthen our climate strategy. A version of the interview was also published in <u>Forbes</u>.

With the United States' Inflation Reduction Act and Bipartisan Infrastructure Bill receiving international attention, Claire is quick to point out that these policies have existed in Canada for several years.

"A lot of people around the world—and, actually, Canadians included—don't realize how many elements of the Inflation Reduction Act and the Bipartisan Infrastructure Bill we have in Canada," she told the podcast.

"Some of those elements actually predate what the Biden government did."

When Prime Minister Justin Trudeau was elected in 2015, one of his first major policies was the \$33 billion Investing in Canada Infrastructure Program. Claire explains that this program is, in many ways, similar to the U.S.'s Bipartisan Infrastructure Bill.

"It's roads and bridges, but also clean energy projects and clean technology, and investing in new technologies like hydrogen or carbon capture," she says.

While Canada has been a leader in some climate policies, Claire said there are also opportunities to learn from our southern neighbour on other aspects of our climate strategy.

"The best example of that is the investment tax credits. Our approach before the Inflation Reduction Act was primarily focused on grant programs, and grant programs are very slow," she says.

After the Inflation Reduction Act was introduced in the United States, Canada created investment tax credits for clean hydrogen, carbon capture, clean technologies, clean technology manufacturing, and clean electricity. The roll-out of these credits, however, has been significantly slower than in the United States and Claire said Canada needs to learn from the U.S. on its ability to do those investment tax credits quickly.

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

Author: <u>Richard Coombs</u>

Torys LLP