

The price ain't right: Canadians liked carbon tax in theory, but support declines as plan becomes a reality

 angusreid.org/federal-carbon-pricing/

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Canadians concerned their industries may face disadvantage as Trump pulls out of Paris Agreement

July 5, 2017– A new study from the Angus Reid Institute indicates Canadian support for [federal carbon pricing](#) has cooled as the issue morphs from plan to reality.

Several provinces have [already implemented](#) their own emissions reduction plans – either through a carbon tax or cap and trade – in order to reduce emissions in order to meet [targets](#) set by the ratification of the Paris accord.

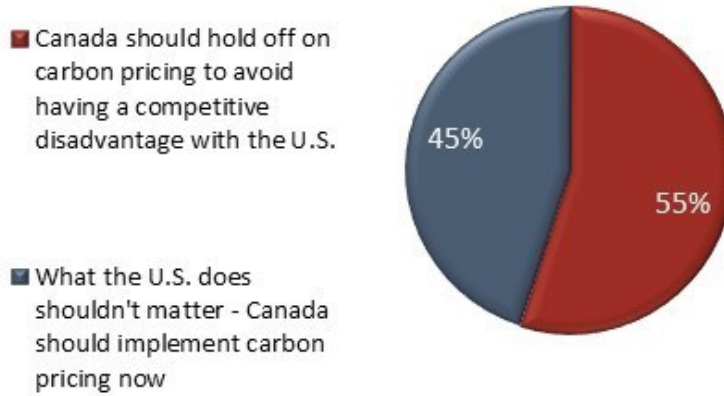
But at least half of the population in every region outside of Quebec tells the Institute it is opposed to Ottawa's program of setting a mandatory nationwide carbon price for provinces who fail to create their own acceptable plan.

This study also finds a substantial number of Canadians would like to see their own provincial leaders push back against the federal carbon pricing minimums.

Four-in-ten Canadians – including slim majorities in Alberta, Saskatchewan and New Brunswick – say their provinces should resist federal standards, which call for a minimum tax of \$10 per tonne in 2018, rising to \$50 per tonne by 2022 – an addition of approximately 11 cents on a litre of gas at the 2022 rate.

Key Findings:

Which of these perspectives is closer to your own, even if neither is exactly how you feel?



- Opposition to carbon pricing is strongest in Alberta (68%) and Saskatchewan (71%). Seven-in-ten residents in each province oppose the Trudeau government's plan
- Four-in-ten Canadians (38%) say they would prefer if their province undertook its own carbon pricing plan, while one-in-five (19%) say their province should do nothing and allow the federal government to manage carbon pricing in their region
- One major concern for more than half of the population is cross-border industry competitiveness. More than half of all Canadians (55%) say that this country should not proceed with its carbon pricing plan if it creates a competitive disadvantage with American businesses. This, after President Trump announced his country would be leaving the Paris Agreement to limit emissions

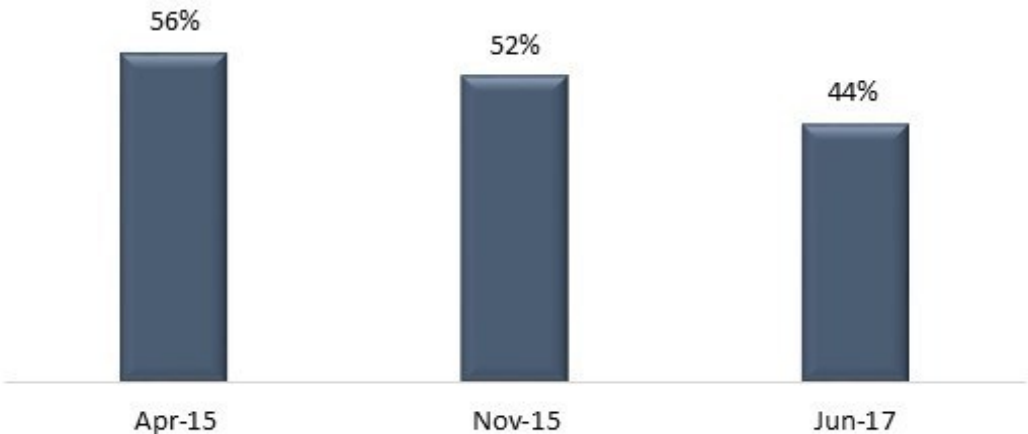
Support for carbon pricing drops as plans become reality

When the Angus Reid Institute explored this issue in the spring of 2015, the conversation around carbon pricing was hypothetical, and support for emission reduction policies appeared high. Indeed, more than half of Canadians said the federal government wasn't paying enough attention to climate change, and most said they'd be supportive if it implemented a carbon tax. This was the case again in November that same year, shortly after Canadians elected the Trudeau Liberals, who had campaigned on a promise to pursue such a plan.

Cut to 2017.

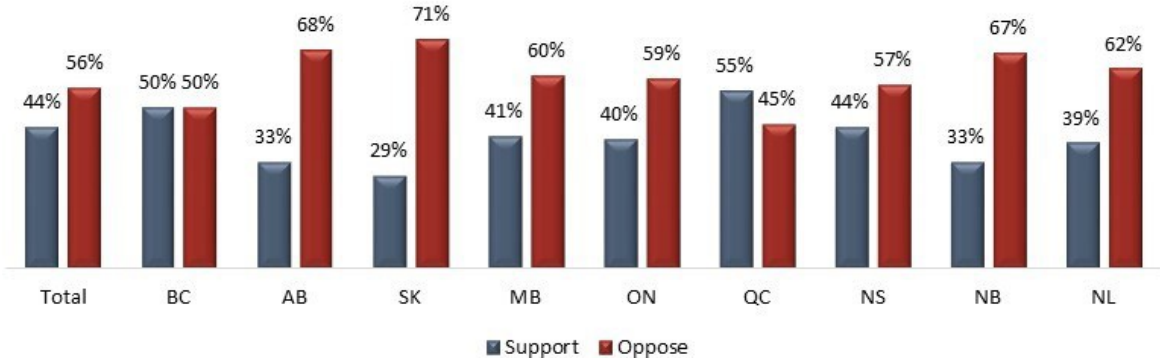
Now that the federal government has formalized arrangements to impose a carbon tax in provinces that haven't already put a price on carbon emissions, beginning in 2018, the impending reality of the program is beginning to kick in. At the \$50 per tonne target the federal government has set for 2022, gasoline would cost roughly 11 cents more per litre. Canadians, in turn, are singing a different tune. Support has dropped to 44 per cent nationwide:

Support for a national carbon tax



Slight majority support from prairie provinces in early 2015 has turned to wholesale opposition, and even in BC, where a carbon tax has been in place since 2008, support has eroded, replaced by a 50/50 split:

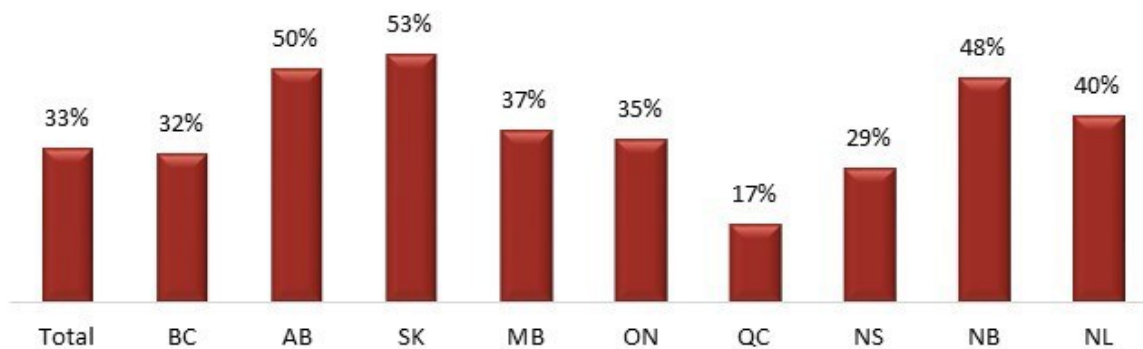
Based on whatever you've seen or heard about the federal government's plan, would you say you support or oppose it?



In Alberta, Premier Rachel Notley committed to the federal plan after securing the Liberal government's approval for the Kinder Morgan TransMountain pipeline twinning project. While residents will be buoyed by the pipeline approval, 50 per cent still say they strongly oppose a carbon tax, second only to Saskatchewan in this level of opposition. In New Brunswick, where NB Power released a report predicting rapid price increases due to federal plan, strong opposition stands at 48 per cent.

Nationwide, one-in-three Canadians (33%) are strongly opposed:

Percentage of Canadians who strongly oppose government's carbon tax plan by province:



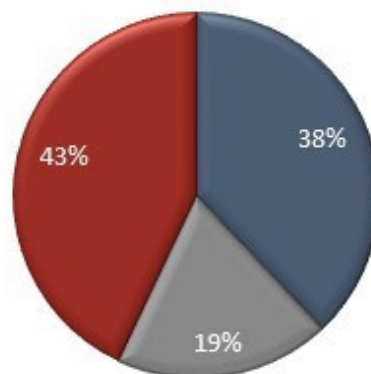
Fight back or live with it?

One of the most vocal opponents of the federal carbon tax plan has been Saskatchewan’s Brad Wall. Facing a \$1.3 billion budget deficit, tax increases and spending cuts, the premier has suggested this is not the right time for a carbon levy, and that he’s willing to fight its implementation in the courts.

This resistance resonates among a plurality of Canadians. Given three options, the largest number, fully four-in-ten (43%) say that their provincial government should fight the implementation of the federal carbon pricing plan.

How would you like to see your own province react to this federal carbon pricing plan? Should it:

- Come up with/continue to implement its own plan to put a price on carbon
- Do nothing and let the federal plan take effect
- Fight the implementation of a federal carbon tax



Almost as many (38%) say they would like to see their own province do what works locally, and run its own carbon pricing program. Manitoba’s Brian Pallister has supported this, and signaled that his province will come up with its own plan to suit its needs while combating emissions. One-in-five Canadians (19%) say their province should let the federal plan take effect in their jurisdiction.

Of note: Alberta’s NDP government implemented a \$20 per tonne carbon tax in January. Premier Notley has said she will support the federal plan, while most of her province would prefer the government fight it.

How would you like to see your own province react to this federal carbon pricing plan? Should it:										
	Total (5,406)	Region								
		BC (600)	AB (599)	SK (1,053)	MB (773)	ON (803)	QC (603)	NS (294)	NB (289)	NL (295)
Come up with/continue to implement its own plan to put a price on carbon	38%	41%	36%	34%	34%	33%	45%	51%	32%	40%
Do nothing and let the federal plan take effect	19%	23%	8%	11%	22%	20%	23%	12%	16%	20%
Fight the implementation of a federal carbon tax	43%	36%	56%	55%	44%	48%	32%	37%	52%	40%

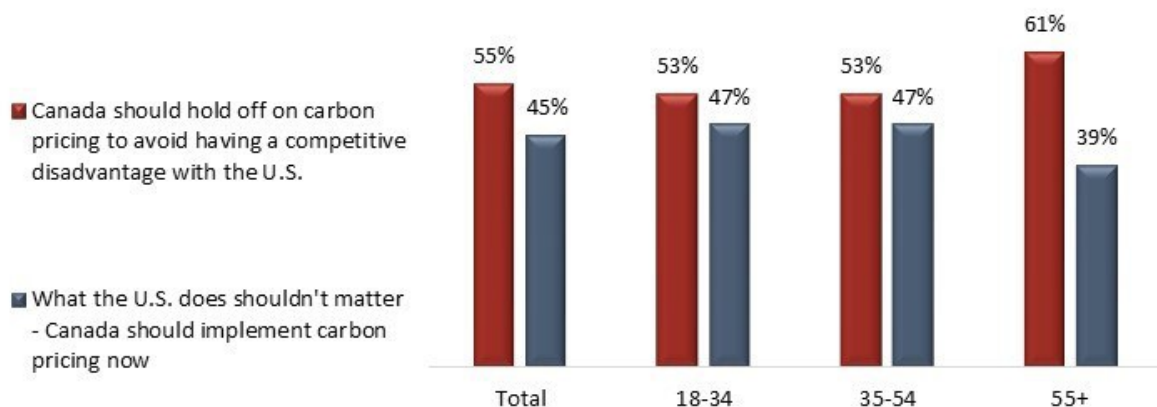
What role does U.S. policy play?

Much of the debate about Canada’s environmental obligations centres on how this country should respond to policy changes unfolding south of the border. After President Donald Trump pulled his country out of the Paris Agreement on climate change, Prime Minister Justin Trudeau reaffirmed his government’s commitment to the pact and expressed disappointment – a position the public appears to support based on previous Angus Reid Institute polling.

But others, including some of Canada’s premiers, have voiced concerns about the comparative disadvantage that both the Paris Agreement and carbon pricing may create for Canadian producers, compared to their unburdened American competitors.

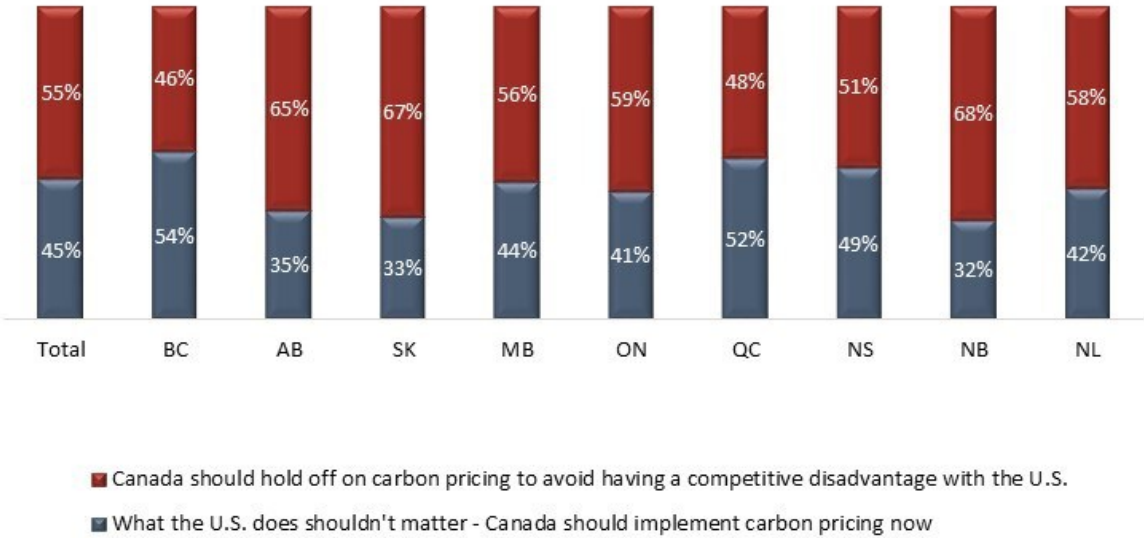
A slight majority of Canadians see merit in this concern. Those under 55 years of age are close to split on whether Canada should hold off on carbon pricing or ignore U.S. policy and go ahead, while six-in-ten (61%) older Canadians lean toward delaying any decision that may disadvantage Canadian producers.

Which of these perspectives is closer to your own, even if neither is exactly how you feel?



Regionally, public opinion largely mirrors the broader “support or oppose” question. Quebec and B.C. are most likely to say what the U.S. does shouldn’t matter, while Alberta and Saskatchewan are most convinced Canada should hold off on implementing carbon pricing for now:

Which of these perspectives is closer to your own, even if neither is exactly how you feel?



*The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research foundation established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.*

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[Click here for the full report including tables and methodology](#)

[Click here for the questionnaire used in the survey](#)