

# CLIMATE CHANGE POLICIES AND CARBON TAXES

## SCIENTIFIC AND ECONOMIC EVIDENCE AS RELATED TO CANADIAN DOMESTIC AND INTERNATIONAL POLICY CONCERNS JULY 18, 2018

Page | 1

We would like to express our concerns at the present state of affairs in Canada concerning climate change policies and carbon taxes, and NAFTA.

1. **CLIMATE SCIENCE** – Humans affect climate in many ways, and you have always stated your government would rely on a science-based approach to policy. Natural climate change caused the ice age cycles and it likely accounts for much of the global temperature rise since 1910 (temperatures were falling for 30 years prior to that). Low CO<sub>2</sub> levels caused temperatures to rise at the end of the last ice age ([Ellis 2015](#)). Part of the temperature rise of the 20th century was due to the natural recovery from the Little Ice Age caused by long-term ocean cycles and direct and indirect solar forcings. Indirect solar effects include the magnetic field effects which changes cloud cover and changing ozone in the high atmosphere. The sun's activity has increased over the last 90 years so that by 1992 it was more intense than at anytime in the last 3000 years. ([Usoskin et al 2014](#)). Numerous recent studies demonstrate that it is solar cycles, which in turn affect ocean cycles that are the dominant forces in climate change. Dozens of peer-reviewed studies have found a very high degree of correlation (0.5 to 0.8) between solar-magnetic activity and global temperature going back many thousands of years (Examples; [Usoskin 2005](#), [Soon et al 2015](#), [Yamakawa et al 2016](#), [Adolphi et al 2014](#), [Ahlbeck 2010](#), [Soon Legates 2013](#), [Patterson 2013](#), [Moffa-Sánchez 2014](#), [Leal-Silva Herrerab 2012](#), [Solheim et al 2012](#), [Bond et al 2001](#), [Neff et al 2001](#), [Shaviv Veizer et al 2003](#).) These are key reports upon which the United States has based current climate policies.

Dr. John Christy has testified to the US Senate that IPCC results show climate model atmospheric temperature trends with greenhouse gases completely fail to match the measurements in the tropics, but model trends without greenhouse gases best match the measurements.<sup>1</sup> **In the tropical bulk atmosphere, the climate model trend is 2.6 times the observations<sup>2</sup>.** This is strong

---

<sup>1</sup> <https://science.house.gov/sites/republicans.science.house.gov/files/documents/HHRG-115-SY-WState-JChristy-20170329.pdf>

<sup>2</sup> Average of weather balloons, satellites and reanalysis data, 1979 to 2015, Dr. John Christy.

evidence that greenhouse gas emissions are not the major cause of climate change. The IPCC has failed to consider natural climate change and has misallocated natural climate change effects to greenhouse gases.

Dr. Judith Curry has testified to the US Senate that the IPCC report of 2013 showed that the theory of human-caused global warming due to carbon dioxide was weakened, carbon dioxide emissions was not the control knob on climate and claims that human emissions drove extreme weather causation not supported by the evidence.<sup>3</sup>

Dr. Hans von Storch, the German climate scientist who first identified human influence on climate change has stated that “I am not scared,” that there is no climate crisis, and that climate change is just one of many factors to be addressed by society, not the most pressing one.

In 2005, climate scientists saw that that radiative forcing (GHG) metric was inadequate to explain climate observations<sup>4</sup> illustrating that climate is more complex than a single small factor. While the science community was questioning the value of the GHG metric (which underlies the justification for carbon dioxide/GHG targets/reduction/carbon pricing or cap and trade) climate change was vaulted into a public conversation.

2. **FOREIGN INFLUENCE** – In 2006, a group of billionaire foundations embarked on a plan to cause a global sea change in the economy of the world, by instituting cap and trade systems,<sup>5</sup> assisted by a \$42.4 million consulting contract with the firm McKinsey.<sup>6</sup> The method of operation was to fund local Environmental Non-Governmental Organizations (ENGOS) to effect changes to local policies.<sup>7</sup> Canada has seen the destructive effects of this foreign intrusion in the form of the environmental groups shredding of the reputation of Alberta’s oil sands, attacks on pipeline projects, tanker blockades, demands for coal phase-out along with the promotion of ineffective, weather-dependent wind and solar as

---

<sup>3</sup> <https://curryja.files.wordpress.com/2014/01/curry-senatetestimony-2014-final.pdf>

<sup>4</sup> <https://www.nap.edu/catalog/11175/radiative-forcing-of-climate-change-expanding-the-concept-and-addressing>

<sup>5</sup> <http://climateshiftproject.org/nisbet-m-c-2014-engaging-in-science-policy-controversies-insights-from-the-u-s-debate-over-climate-change-handbook-of-the-public-communication-of-science-and-technology-2nd-edition-london-r/>

<sup>6</sup> Of the US\$57 million spent on consultants between 2008 and 2012, 87 percent were program related. McKinsey & Company received US\$42.4 million, most of which was for “work to develop a deep analysis of the carbon abatement opportunities of the largest economies in the world as part of ClimateWorks’ global initiatives and research programs.” *ClimateWorks Foundation – Meeting of the Board of Directors 2016*

<sup>7</sup> [http://www.climateworks.org/wp-content/uploads/2015/02/design\\_to\\_win\\_final\\_8\\_31\\_07.pdf](http://www.climateworks.org/wp-content/uploads/2015/02/design_to_win_final_8_31_07.pdf)

alternatives to coal, and demands for even more stringent environmental regulations that make Canada a 'hostile' place to invest.<sup>8</sup>

3. **ECONOMICS** – Canada benefits from both greenhouse gas induced warming through the CO<sub>2</sub> fertilization effect on crops and forests. CO<sub>2</sub> is plant food. The FUND (Framework for Uncertainty, Negotiation and Distribution)<sup>9</sup> integrated assessment model that calculates the economic impact of climate change. It estimates that Canadian's agriculture sector alone will benefit from greenhouse gas emissions by CDN \$14 billion per year by 2050.<sup>10</sup> The beneficial economic impacts of greenhouse gas emissions on Canada continually increase throughout the 21<sup>st</sup> century.<sup>11</sup>
4. **SOCIETAL PRIORITIES** – Bjorn Lomborg has found that climate change is only a priority for UN bureaucrats; in his survey of the world, almost everything BUT climate change is a priority for ordinary people. As we even see in this Abacus Data survey of April 2018, the last item on the list of priorities for Canadians is climate change.<sup>12</sup>
5. **CARBON TAXES/CAP AND TRADE AND ECONOMICS** – To be a competitive nation, we must work in concert with our trading partners. Our largest trading partner is the United States.<sup>13</sup> The United States of America has abandoned the Paris Agreement, in large part because it would have extorted money from the US with little or no reciprocal action on climate change by any other nation and would have rendered the US uncompetitive.<sup>14</sup> It is absurd to think that the Paris Agreement's proposed \$100 billion Green Climate Fund would have allowed wealthy Saudi Arabia to apply for funding, while bankrupt Greece would have had to contribute.<sup>15</sup> Therefore, it is not in Canada's interests to adopt carbon taxes or cap and trade as these are uneconomic and do nothing to prevent or reduce climate change. The disparity of policies between the US and Canada on climate change, create significant trade barriers between Canada and the US. Bjorn Lomborg has calculated that if all countries **meet** the Paris

---

<sup>8</sup> <http://www.pphb.com/pdfs/musings/Musings041718.pdf>

<sup>9</sup> <http://www.fund-model.org/>

<sup>10</sup> Julia FUND, accessed 2018-01-05

<sup>11</sup> Tol, Richard S.J., Climate Economics, Cheltenham, UK, Edward Elgar Publishing Limited, 2014.

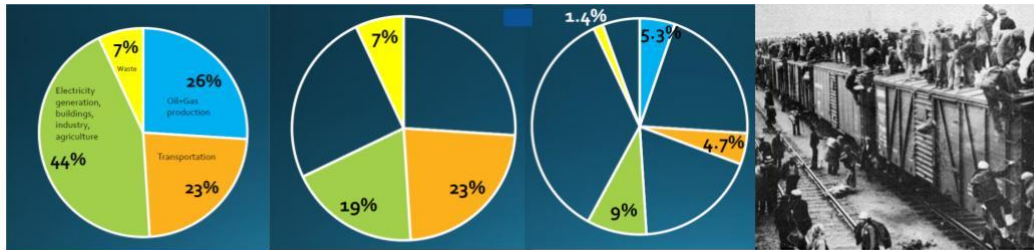
<sup>12</sup> <http://blog.friendsofscience.org/2018/04/11/the-abacus-data-ecofiscal-push-poll-a-critique-of-methodology/>

<sup>13</sup> <http://www.chamber.ca/advocacy/issues/canada-us/>

<sup>14</sup> <http://blog.friendsofscience.org/2017/06/09/the-cop21-agreement-just-the-facts-please/>

<sup>15</sup> <http://blog.friendsofscience.org/2017/06/04/where-will-the-u-n-get-its-climate-money-now/>

Agreement targets **by 2030**, the reduction in warming would be only **0.05** degrees C by **2100**. However, it is unlikely any will meet such targets. **It is impossible for Canada to reach the Paris Agreement GHG reduction targets without shutting down all major industries in Canada.**



2014 ratios of emissions and sources in Canada

Canadian gov't committed to attain a 50% reduction from 2005 level by 2050

Canadian gov't notionally committed to an 80% reduction in GHGs

The result? The end of Canada as we know it today. Back to the Future 1930s.

There is presently **no technology** that can achieve these reductions. This requires shutting down major industries completely - while the rest of the world builds more coal/natural gas/oil terminals and industries. No other nation is doing this.

This would be contrary to the purpose of Confederation and contrary to basic principles of the UN Charter itself which is dedicated to socio-economic improvement. (Article 55<sup>16</sup>) No Canadian elected a government to destroy the country. Canada faces extremes of weather and temperature, vast distances and costly infrastructure, unlike any other country but Russia.

Country	Population	Population Density	Avg Winter Temps	Geographic Size	Fits into Canada
Denmark	5,614,000	132/km <sup>2</sup>	-2° to 4 °C	43,094 km <sup>2</sup>	231.6
Norway	5,080,000	14/km <sup>2</sup>	-10° to 16 °C	385,178 km <sup>2</sup>	25.9
Germany	80,602,000	231/km <sup>2</sup>	-5° to 2 °C	357,168 km <sup>2</sup>	27.9
Spain	47,207,000	94/km <sup>2</sup>	2° to 9 °C	504,645 km <sup>2</sup>	19.78
Sweden	9,644,864	24/km <sup>2</sup>	-4° to -5 °C	449,964 km <sup>2</sup>	22.18
USA	318,900,000	35/km <sup>2</sup>	-16° to -8 °C	9,857,306 km <sup>2</sup>	1.01
Canada	35,160,000	4/km <sup>2</sup>	-32° to -6 °C	9,984,670 km <sup>2</sup>	N/A
India	1,252,000,000	421/km <sup>2</sup>	20° to 8 °C	3,287,540 km <sup>2</sup>	3.03
China	1,350,000,000	145/km <sup>2</sup>	-1° to -9 °C	9,596,961 km <sup>2</sup>	1.04

<sup>16</sup> <https://treaties.un.org/doc/publication/ctc/uncharter.pdf> Article 55 With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote: a. **higher standards of living, full employment, and conditions of economic and social progress and development;**

**6. NAFTA** – We are concerned that the NAFTA agreement is being circumvented by the fact that in February, France bluntly told the USA it will block their trade options with the EU.<sup>17</sup> We are concerned that after they said that to our largest trading partner, Canada went to France in the midst of NAFTA negotiations and signed a climate and culture agreement with France.<sup>18</sup> As early as 2017 it was reported that Canada was trying to insert the Paris Agreement into NAFTA.<sup>19</sup> This cannot be seen as dealing in good faith, sir. Furthermore, in terms of our own nation, it appears that the federal government is favoring the interests of certain major corporations like Bombardier, McCain, and others (as reported on the Finance Canada website),<sup>20</sup> which have headquarters in France and which may now be compromised by France’s unilateral adoption of a 2-degree Celsius rule for all its investees and institutional investors worldwide.<sup>21</sup> While Quebec and Ontario most benefit from trade with France, we have a whole country to consider.<sup>22</sup> As we understand it, such unilateral measures by France are contrary to World Trade Organization principles. These appear to be coercive tactics designed to isolate the United States of America, and we believe the federal government’s actions, which seem to be protectionist of large Eastern Canadian corporate interests but detrimental to those of Western Canada, are contrary to Canada’s best interests. As we have pointed out, in view of current science, a 2-degree C objective is not in keeping with scientific evidence; reducing human carbon dioxide emissions will not reach climate objectives of changing or controlling earth’s global temperature.

The European Union is facing many tests in terms of unity, internal politics, addressing migration issues, and the collapse of the renewables industry due to burdensome subsidies. We cannot see any justification for continuing down the climate fiasco path of the EU. Nor does the EU seem a more stable bet as trade partner than that of our longest standing, best ally, the United States, a country with which we share very similar values, cultures, language, business dealings, real estate properties and overall investments.

<sup>17</sup> <http://www.climatechangenews.com/2018/02/02/france-us-no-paris-agreement-no-trade-agreement-1/>

<sup>18</sup> <https://pm.gc.ca/eng/news/2018/04/16/prime-minister-announces-partnerships-climate-and-culture-france>

<sup>19</sup> <http://blog.friendsofscience.org/2017/10/12/nafta-and-the-environment-strange-brew/> “Perhaps the real reason behind Canada’s desire for a new NAFTA Environment Chapter was indicated by federal officials in discussions with the Government’s NAFTA Advisory Council on the Environment. According to a report by Barbora Grochalova of the law firm Borden Ladner Gervais in October 2017, the officials stated that they wanted to see climate action specifically included in NAFTA. One of the ways to do that would be to add the COP21 Paris Agreement to the list of MEAs to which parties must adhere and enforce.”

<sup>20</sup> [http://www.amb-canada.fr/pdf/CF\\_English\\_Summary.pdf](http://www.amb-canada.fr/pdf/CF_English_Summary.pdf)

<sup>21</sup> [http://www.frenchsif.org/isr-esg/wp-content/uploads/Understanding\\_article173-French\\_SIF\\_Handbook.pdf](http://www.frenchsif.org/isr-esg/wp-content/uploads/Understanding_article173-French_SIF_Handbook.pdf)

<sup>22</sup> <https://lop.parl.ca/Content/LOP/ResearchPublications/2010-37-e.htm>

While it is true that Canada also plays a key role in *'la francophonie'*<sup>23</sup>— holding 4 positions in this a collection of some 84 countries with 54 full members, 26 observer nations, and 4 associates - these countries are geographically far flung from Canada, culturally and linguistically diverse (excepting a common Francophone link) and some, like Qatar, are direct competitors for LNG markets.

7. **MATERIAL CHANGE** – In investment circles, when there is a material change in circumstances, such as evidence that human industrial greenhouse gas emissions are 'not the control knob that can fine tune climate' corporations are required to advise shareholders of such uncertainties. This in fact means, for Canada, that our oil, gas and coal do not represent a carbon risk of any significance, nor do our industrial emissions. This is good news. **Approved pipelines and resource development projects can now proceed without further delay.** Environmental charities/ENGOS which have been raising funds based on the presumed climate crisis must stop. Many have been funded from offshore by the ClimateWorks group which is trying to foist global cap and trade systems on the world economy.<sup>24</sup> <sup>25</sup> it is against Canada Revenue Agency rules to raise funds that are based on false information or to raise funds for activities that harm the public benefit.<sup>26</sup> <sup>27</sup> Charities promoting a 'climate crisis' have intentionally incited the public against oil, gas and coal industries when these are our major economic drivers, providing the greatest net public benefit. With this good news before us, the recent additional environmental regulations can be repealed, and Canada's good name can be restored, rather than being identified as a country that is 'hostile' to investment.<sup>28</sup>

8. **SOVEREIGN GOVERNMENT TO SOVEREIGN GOVERNMENT** – We note that in recent months, Canadian federal officials have separately negotiated directly with US state and city officials promoting the Paris Agreement; indeed, the Mayor of Edmonton has been travelling US this past month rallying support and signatures for his "Edmonton

---

<sup>23</sup> [https://www.francophonie.org/IMG/pdf/som\\_xvi\\_membres\\_oif\\_vf.pdf](https://www.francophonie.org/IMG/pdf/som_xvi_membres_oif_vf.pdf)

<sup>24</sup> <http://climateshiftproject.org/nisbet-m-c-2014-engaging-in-science-policy-controversies-insights-from-the-u-s-debate-over-climate-change-handbook-of-the-public-communication-of-science-and-technology-2nd-edition-london-r/>

<sup>25</sup> [http://www.climateworks.org/wp-content/uploads/2015/02/design\\_to\\_win\\_final\\_8\\_31\\_07.pdf](http://www.climateworks.org/wp-content/uploads/2015/02/design_to_win_final_8_31_07.pdf)

<sup>26</sup> <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/policy-statement-024-guidelines-registering-a-charity-meeting-public-benefit-test.html#toc4>

<sup>27</sup> <https://www.canada.ca/en/revenue-agency/services/charities-giving/charities/policies-guidance/fundraising-registered-charities-guidance.html#toc5>

<sup>28</sup> <http://www.pphb.com/pdfs/musings/Musings041718.pdf>

Declaration” on climate, from various big city mayors in the United States.<sup>29</sup> If this was an innocuous document about cultural or sport exchange, as many cities have done in ‘twinning’ themselves (for instance) it would be one thing. But this appears to be a form of foreign interference in the federal policies of the United States, conducted by a Canadian municipal government official, like those actions of other Canadian government officials dealing with “#ImStillIn” US states and cities.<sup>30</sup> These actions deliberately contravene US national policy. How can we be seen to be negotiating in good faith on NAFTA, or anything, when this is going on?

9. **G7-INTEGRITY** – In 2017 the G7 adopted these principles: *“We acknowledge that a public integrity system that promotes a culture of integrity across the public sector at large is a major requirement in combatting corruption. Leveraging our common values and high standards, we resolve to play a leading role in advocating, at home and abroad, for a culture of public integrity that ensures a proper use of public resources, accountability as well as effective multi-stakeholder initiatives. Preventing corruption and promoting integrity can help shape a more efficient public sector with respect to the allocation and management of financial and human resources, delivery of quality services and the creation of job opportunities, thus contributing also to the reduction of social inequalities. Integrity-based policies to prevent corruption can also improve the public governance system and induce renewed public confidence in government, notably in institutions performing the state’s core administrative and regulatory functions, as well as encourage democratic participation. Strengthening public integrity is also a key issue for the business environment and for sustainable development..... We will promote, in our own systems and through our engagement with other Countries, values of integrity, openness and fairness in order to continue preventing corruption and malfeasance in the public sector...”*<sup>31</sup>

In the recent events concerning public discussion over the proposed federal carbon tax or provincial equivalents, it does not appear that your government has upheld these principles.

<sup>29</sup> <https://www.thestar.com/edmonton/2018/06/11/the-edmonton-declaration-a-local-climate-agreement-for-cities-gets-us-agreement.html>

<sup>30</sup> <https://www.nytimes.com/2017/06/07/world/canada/canadas-strategy-on-climate-change-work-with-american-states.html> “Privately, though, officials in Canada acknowledge that it is unlikely that the Trump administration will reverse its stand, making working with states and local governments even more critical.”

<sup>31</sup> <https://www.mofa.go.jp/files/000301816.pdf>

Likewise, at the G7 meeting, we find that numerous large institutional investors<sup>32</sup> were represented, but who was there to represent the interests of small, medium-sized and domestic corporations, their customers and the taxpayers? According to the UNPRI's 2016 Annual Report, institutional investors have been directed to become activist investors, driven by the signing of the UNPRI's 2014 "Montreal Pledge" to influence corporations and governments to instigate policies to meet the 2-degree Celsius objective of GHG reduction. One example is how NEI Investments affected Alberta's climate policies.<sup>33</sup> As we have indicated, this 2-degree C objective is not supported by the scientific evidence. We question the 2015 suggestion by pension fund advocates that 'climate change denial is not an option.'<sup>34</sup> We do not see that any other business representatives were party to the G7, such as chambers of commerce. If transnational institutional investors, which are signatory to the transnational, unelected, unaccountable *activist* United Nations Principles for Responsible investment participate at such events, where they are directing global policies that affect all businesses, then surely there should be representation from business organizations that are elected and accountable to domestic small, medium and large business interests.

Institutional investors, like those of the G7 investors group, have vested interests in wind and solar, the premise for which rests upon the claim that wind and solar address climate change.

Research shows that wind and solar do not reduce costs nor do they address climate change. Once beyond a small penetration on the grid, wind and solar **increase** carbon dioxide emissions and they do not achieve the claimed objective. Since carbon dioxide is not the control knob on climate, these measures are not effective to address climate change or energy needs of modern society. As weather-dependent forms of kinetic capture of energy, wind and solar also require very expensive back-end infrastructure. Canadians are subsidizing wind and solar investors to the detriment of the public purse and the reliability of the power grid.<sup>35</sup> This must stop.

---

<sup>32</sup> AIMCo, Allianz, Aviva, CalPERS, CDPO, CPP Investment Board, Generali, Nataxis, OMERS, OPTrust, Ontario Teachers' Pension Plan, PGGM and partner orgs CFA Institute, Schulich School of Business, Sustainable Infrastructure Foundation

<sup>33</sup>

<https://www.neiinvestments.com/documents/PublicPolicyAndStandards/2015/Premier%20of%20Alberta%20Collaborative%20Investor%20Letter.pdf>

<sup>34</sup> <http://blog.friendsofscience.org/2017/02/01/new-reports-challenge-share-on-climate-change-risk-and-denial-for-pension-fund-trustees-and-corporate-boards/>

<sup>35</sup> <http://blog.friendsofscience.org/2017/11/05/subsidies-to-solar-and-wind-energy-in-canada-an-inventory/>



## 10. **SET S.M.A.R.T. GOALS TO ADDRESS MEASURABLE MITIGATIONS OF HUMAN INDUSTRIAL IMPACTS**<sup>36</sup>

Current climate science evidence shows us that carbon dioxide is not the main driver of recent climate change, and that human impacts on climate are more related to:

- a) Urban heat island effects
- b) Land use/water diversion/deforestation
- c) Unmitigated noxious pollutants and related aerosols
- d) Lack of waste water management
- e) Desertification or degradation of 40% of the world's arable lands

All of these items can be addressed by applying 'climate' funds to measurable projects in Canada and around the world. The first priority must be the provision of clean water to First Nations and proper sewage treatment plants for major Canadian cities like Montreal and Victoria.

Thus, we call upon you to abandon the Paris Agreement and return to the bargaining table in good faith with President Trump and his administration.

Respectfully,

Friends of Science Society

---

<sup>36</sup> [http://www.hr.virginia.edu/uploads/documents/media/Writing\\_SMART\\_Goals.pdf](http://www.hr.virginia.edu/uploads/documents/media/Writing_SMART_Goals.pdf)



## About

Friends of Science Society is an independent group of earth, atmospheric and solar scientists, engineers, and citizens who are celebrating its 16th year of offering climate science insights. After a thorough review of a broad spectrum of literature on climate change, Friends of Science Society has concluded that the sun is the main driver of climate change, not carbon dioxide (CO<sub>2</sub>).

Friends of Science Society  
P.O. Box 23167, Mission P.O.  
Calgary, Alberta  
Canada T2S 3B1  
Toll-free Telephone: 1-888-789-9597  
Web: [friendsofscience.org](http://friendsofscience.org)  
E-mail: [contact\(at\)friendsofscience\(dot\)org](mailto:contact@friendsofscience.org)  
Web: [climatechange101.ca](http://climatechange101.ca)

