

# Connecting Affordability & Climate Change

## BC Provincial Election Fact Sheet

### OVERVIEW:

British Columbia has everything it needs to ensure prosperity and stability during these decades of extreme climate change. We need real leadership and evidence-based action on the climate emergency to put us on the path to renewable, socially-inclusive policies. Failure to act at scale to confront the climate crisis will have serious and negative impacts on people's cost of living, public infrastructure and services. Climate action must also tackle the affordability crisis facing many families. In this fact sheet, we explore the connections between affordability and climate change.

### CALLS TO ACTION:

- This fall, we call on British Columbians to vote in a government with the visionary leadership needed to tackle the unaffordable cost of living while bringing us into a new era of sustainable development that benefits all levels of society equally.
- Join the BC Climate Emergency Campaign's call for government to take [10 urgent actions](#) that will help us emerge from the climate crisis into the best possible world.

For more on affordability & climate connections, check out the [BCCEC website](#).

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## Context

### 1. Despite cost of living challenges, the BC electorate is hungry for strong climate policies.

- According to June 2024 polling,<sup>1</sup> cost of living, housing, healthcare, and climate change are the top issues for British Columbians ahead of this fall's election.
- **83% of British Columbians** believe an energy strategy that meets climate, economic, reconciliation, and grid demands is important.<sup>2</sup>
- Nearly 70% of British Columbians prefer the government focus on developing renewable energy.<sup>3</sup> **Only 15% of BC wants a focus on LNG (liquified "natural" gas).**
- **65% of the province**<sup>4</sup> does not support subsidizing LNG with public electricity.
- British Columbians rank the number one priority use for B.C.'s electricity<sup>5</sup> **as replacing gas-powered heating and cars with money-saving electric heat pumps and electric vehicles.**
- 85% of the province believes the government should be **further investing in renewable energy for the purposes of economic development.**<sup>6</sup>

### 2. BC needs a strong climate plan that also tackles the spiraling cost of living.

- BC has an official climate plan: *CleanBC*.<sup>7</sup> But as the BC Climate Emergency Campaign has documented,<sup>8</sup> that plan is not up to the task of confronting the climate emergency. It lacks urgency, coherence, speed and scale. **BC is not on track to meet its climate targets.** And vitally, BC's climate plan must be strongly grounded in a just transition plan for workers and communities, and linked to ambitious efforts to make the energy transition affordable.
- Scientists say it will become increasingly costly to make the changes needed to achieve our climate commitments for every year we delay action.<sup>9</sup>

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<sup>1</sup> [Angus Reid Institute](#)

<sup>2</sup> [Clean Energy Canada](#)

<sup>3</sup> [Ibid.](#)

<sup>4</sup> [Ibid.](#)

<sup>5</sup> [Clean Energy Canada 2](#)

<sup>6</sup> [Clean Energy Canada](#)

<sup>7</sup> [CleanBC Roadmap to 2030](#)

<sup>8</sup> [BC Climate Emergency Campaign 2023 Climate Action Progress Report](#)

<sup>9</sup> [VoxEU](#)

- Nearly 80% of British Columbians say **the government is doing a poor job of addressing the cost of living**,<sup>10</sup> while 60% don't have faith the government will meet its stated climate goals.<sup>11</sup>
- 12.5% of British Columbians<sup>12</sup> already live with food insecurity while 18% of employees in BC<sup>13</sup> earn less than \$20/hour. In addition to the unprecedented cost of housing,<sup>14</sup> these are the factors that have led **1 in 3** British Columbians to seriously consider leaving the province.<sup>15</sup>

## Problems

### 3. The costs of climate change inaction are skyrocketing.

- Canada is predicted to experience **\$25 billion in losses per year** by 2025 as a result of climate change, relative to a stable climate scenario.<sup>16</sup> This is equal to about **50% of projected 2025 GDP growth**. Costs are expected to escalate rapidly if ambitious climate action is not taken.
- By 2050, these climate-induced economic impacts are estimated to reduce federal and provincial government budgets in Canada by an estimated **\$17 billion**, resulting in cuts to services and/or tax increases. Broader economic impacts include job losses from affected industries, supply-chain disruptions and a shrinkage of household income.
- Insurance researchers calculate Canadian insured losses from unnatural disasters in 2023 as **\$3.1 billion**.<sup>17</sup> Uninsured losses to both private and public infrastructure and services were much higher.
- **Insured losses for catastrophic weather events in Canada totalled over \$18 billion between 2010 and 2019**, in 2019 dollars.<sup>18</sup> Total losses per weather-related disaster have grown 1250% since the 1970s.
- In the past decade, **weather-related disasters have claimed between 5-6% of Canada's economic growth**.<sup>19</sup>

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<sup>10</sup> [Angus Reid Institute 2](#)

<sup>11</sup> [Clean Energy Canada 2](#)

<sup>12</sup> [BC Centre for Disease Control](#)

<sup>13</sup> [Canadian Centre for Policy Alternatives](#)

<sup>14</sup> [CBC](#)

<sup>15</sup> [Angus Reid Institute](#)

<sup>16</sup> [Canadian Climate Institute](#)

<sup>17</sup> [Catastrophe Indices and Quantification Inc.](#)

<sup>18</sup> [Canadian Climate Institute 2](#)

<sup>19</sup> [Canadian Institute for Climate Choices](#)

- **Climate change-related losses are not new to BC.** The loss of timber sales due to the increased pest pressure on BC forests resulted in over **\$60 billion in losses** in the beginning of the 2000s.<sup>20</sup>
- Climate change is rapidly increasing the cost of food. According to recent reports, **world food prices will increase by up to 3.2% per year by 2035.**<sup>21</sup> This is bad news for BC, which relies on global imports for 77% of its fruits and vegetables.<sup>22</sup>

#### 4. Unnatural disasters are getting worse and rising costs fall on individuals.

- Economists predict, on average, **a loss of \$720 in income per-person by 2025 due to climate change**, with losses potentially reaching \$1890 to \$2300 per year for Canadians by 2050.<sup>23</sup>
- **Climate change is a job-killer.** Job losses as a result of slowing economic growth and supply chain disruptions due to unnatural disasters could double by 2050.
- A study of the 2021 extreme weather season's economic impact shows how unnatural disasters **drive up costs for workers and homeowners** alike, with insurance only covering a small margin of total losses.<sup>24</sup>
- The damages due to sea level rise and the increasing likelihood of a 'king tide' event has been **forecast by the BC government to cost approximately \$26.5 billion** in infrastructure damage and lost productivity.<sup>25</sup> 4 in 5 residents of BC live in coastal areas and these figures do not count the cost of flood response and clean up.
- According to analysis by the Centre for Policy Alternatives, **the costs of the 2021 heat dome, flooding, and wildfires in BC totaled between \$10.6 and \$17.1 billion.**<sup>26</sup> This includes up to \$2.4 billion in lost income from BC's workers through unpaid time off.
- As a result of increasing unnatural disasters,<sup>27</sup> **the cost of home and mortgage insurance in B.C has increased by 6.5% in 2024 alone.**<sup>28</sup>

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<sup>20</sup> [Ibid.](#)

<sup>21</sup> [Communications Earth and Environment](#)

<sup>22</sup> [The Canadian Agri-Food Policy Institute](#)

<sup>23</sup> [Canadian Climate Institute](#)

<sup>24</sup> [Canadian Centre for Policy Alternatives 2](#)

<sup>25</sup> [Ministry of Environment and Climate Change Strategy](#)

<sup>26</sup> [Canadian Centre for Policy Alternatives 3](#)

<sup>27</sup> [Cision](#)

<sup>28</sup> [Government of British Columbia](#)

## 5. The BC carbon tax is being scapegoated as unaffordable, but it's actually oil and gas that hurt our pocketbooks.

- The BC Climate Action Tax Credit is a progressive tax credit that offers the lowest income residents of BC the greatest reimbursement,<sup>29</sup> and more than offsets what most households pay in the carbon tax. If the carbon tax and its carbon tax credit were scrapped, most BC families would be financially worse off. Additionally, in comparison to the spiraling cost of housing,<sup>30</sup> the carbon tax is either a **negligible cost for British Columbians or a net gain after taxes.**<sup>31</sup>
- Since implementing the carbon tax in 2008, **fuel consumption has fallen by at least 7% per person, while BC's air quality has improved between 5 and 11%.**<sup>32</sup> The carbon tax has also saved nearly \$200/per person on our health system as a result of a reduction in lung cancers, circulatory diseases, and respiratory diseases caused by air pollution.<sup>33</sup>
- BC's new Output-Based Pricing System<sup>34</sup> will **exempt about half of the emissions from the oil and gas industry from carbon pricing, sacrificing a huge amount of funding that could be going to pay for BC's green energy transition.**<sup>35</sup>
- To date, **BC has funnelled over \$5.4 billion into LNG subsidies** through various incentives – \$5.4 billion that could have gone towards funding BC's green energy transition.<sup>36</sup>
- According to a recent study from the International Institute for Sustainable Development, fossil fuel price volatility is a key driver of inflation, making life less affordable for Canadians. From February 2021 to June 2022, energy prices accounted for 33% of Canada's overall inflation. The price of gasoline **skyrocketed by 55% between June 2022 and 2023** due to international pressures beyond Canadian borders.<sup>37</sup> **Despite popular belief, the carbon tax only contributed 4% to this increase.**

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<sup>29</sup> [Canadian Climate Institute 3](#)

<sup>30</sup> [Canadian Centre for Policy Alternatives 4](#)

<sup>31</sup> [The Vancouver Sun](#)

<sup>32</sup> [CBC 2](#)

<sup>33</sup> [Reuters](#)

<sup>34</sup> [Government of British Columbia](#)

<sup>35</sup> [Canadian Centre for Policy Alternatives 5](#)

<sup>36</sup> [International Institute for Sustainable Development](#)

<sup>37</sup> [Ibid.](#)

## 6. Relying on LNG locks BC into subsidizing an unstable industry and risks stranded assets. The business case is flimsy at best.

- The LNG industry claims that Canadian LNG would be cost-competitive with other country's LNG exports,<sup>38</sup> but this claim relies on BC Hydro subsidizing the incredibly energy-intensive LNG liquefaction process by **using cheap energy from our provincial power grid** and by building a giant transmission line,<sup>39</sup> set to cost at least \$3 billion.<sup>40</sup>
- This massive public expenditure would mean that BC electricity ratepayers would be subsidizing the cost of LNG by taking from BC Hydro's \$36 billion, 10-year Capital plan<sup>41</sup> and the energy produced by the \$16 billion Site-C dam.<sup>42</sup> BC Hydro ratepayers should not have to foot the bill for clean public power to be used for new fossil fuel development. BC taxpayers have already been subsidizing the LNG industry to the tune of \$5.4 billion,<sup>43</sup> and giving away almost \$250 million<sup>44</sup> in subsidies to improve extractive industry's energy efficiency, despite these operations being run by some of the wealthiest companies in the world.
- If all 6 proposed LNG projects in BC are built, it will **require the equivalent of 8 Site C dams to power them**, costing taxpayers billions.<sup>45</sup> Given current drought conditions, generating this much energy from Hydro would be a technical impossibility.<sup>46</sup>
- Canadian LNG cannot compete with the low costs of other LNG-producing countries who have better access to emerging Asian markets.<sup>47</sup>

## Solutions

### 7. The facts are in - real climate action is good for jobs, the economy and the health of our communities.

- **Recent studies clearly show that green investments create more jobs** in the immediate term than unsustainable investments.<sup>48</sup> For example, for every million

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<sup>38</sup> [Canadian Energy Centre / Wood Mackenzie](#)

<sup>39</sup> [Clean Energy Canada 3](#)

<sup>40</sup> [The Narwhal](#)

<sup>41</sup> [Government of British Columbia](#)

<sup>42</sup> [CBC 3](#)

<sup>43</sup> [The Narwhal 2](#)

<sup>44</sup> [Government of British Columbia](#)

<sup>45</sup> [Clean Energy Canada 4](#)

<sup>46</sup> [BC Hydro](#)

<sup>47</sup> [Simon Fraser University](#)

<sup>48</sup> [World Resources Institute](#)

dollars invested in building efficiency, you get 2.8 times as many long-term jobs as you would for an investment in fossil fuels.

- **Adaption pays off big.** For every \$1 dollar spent on climate change adaptation in Canada, \$13-\$15 in total benefits accrue.<sup>49</sup> One third of these benefits come from direct costs saved while two-thirds comes in savings for the rest of the economy such as **avoiding supply-chain disruptions or loss of productivity.**
- The World Bank estimates the **benefit-cost ratios of investing in climate-resilient infrastructure as being 4:1.**<sup>50</sup>
- BC already has the right revenue tools for necessary spending on climate change adaptation and mitigation. Progressively scaled income taxes, natural resource royalties and the carbon tax (offset by the carbon tax credit for lower and middle-income households<sup>51</sup>) raise needed funds for low-carbon infrastructure that would also create green jobs.
- **Stronger government involvement in funding worker re-training programs is needed for a truly sustainable transition to clean industries.**

## 8. Reconciliation with First Nations IS climate action.

- **Indigenous Guardian programs** (in which Indigenous peoples are employed to steward and protect their land) have had between a 20:1 and a 10:1 return on investment each year in BC.<sup>52</sup>
- Recent historic land and title agreements have **revived potential for Indigenous peoples in BC to pursue economic development** on their own terms while continuing their work to steward the land.<sup>53</sup>
- Although **Indigenous peoples only occupy around 20% of the Earth's land, they protect around 80% of Earth's biodiversity.**<sup>54</sup> In the Canadian context, lands stewarded by First Nations are protected at an average rate of 60%.<sup>55</sup>
- It has been established on an international level that **Indigenous knowledge is one of the best tools we have for climate adaptation and mitigation.**<sup>56</sup> Indigenous

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<sup>49</sup> [Canadian Climate Institute](#)

<sup>50</sup> [Global Commission on Adaptation](#)

<sup>51</sup> [Government of British Columbia](#)

<sup>52</sup> [EPI EcoPlan International, Inc.](#)

<sup>53</sup> [The Narwhal 3](#)

<sup>54</sup> [International Institute for Sustainable Development 2](#)

<sup>55</sup> [Indigenous Leadership Initiative](#)

<sup>56</sup> [Indigenous Climate Action](#)



communities are far more likely to protect forests and other natural carbon sinks, an essential component of fighting climate change.<sup>57</sup>

## Pathways

### 9. We already have the tools necessary for transitioning away from fossil fuels; let's make life more affordable at the same time.

- **Models of strong climate and affordability programs already exist in Canada.**  
Efficiency PEI has rolled out a **free heat pump program** for homeowners earning less than \$100,000/year,<sup>58</sup> and a free electric hot water heater program for homeowners earning less than \$55,000/year.
- Work done by Efficiency NS has resulted in over **\$4.8 billion in lifetime energy savings for Nova Scotians, including \$500 million for low-income renters and homeowners.**<sup>59</sup> It also helped to prevent 111,000 tonnes of GHG emissions.
- The BC government offers income-tested rebates for homes converting from gas to electric heat-pump systems.<sup>60</sup> But these programs need to be significantly expanded if we are to see these conversions occur at speed and scale. Currently, only 7% of BC households have a heat pump.<sup>61</sup>
- In Vancouver, single detached homes with an **electric heat pump** save around \$1,000 per year compared to gas furnaces with air conditioning.<sup>62</sup> **This accounts for nearly half the cost of heating a home.**
- No-cost home energy retrofit measures for income-qualified households should be integrated into the existing *CleanBC* Income Qualified Program,<sup>63</sup> or into the mandate of a newly created energy efficiency agency, saving bureaucratic overhead costs. Were BC to do this, thousands of families could be liberated from escalating monthly home heating costs.
- The more BC expands public transit, making it more convenient, reliable and less expensive<sup>64</sup>, expands subsidies for e-bikes, and builds out support for electric vehicles, the more families can be liberated from escalating gas prices and the high

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<sup>57</sup> [World Resources Institute 2](#)

<sup>58</sup> [Government of Prince Edward Island](#)

<sup>59</sup> [EfficiencyOne](#)

<sup>60</sup> [Government of British Columbia](#)

<sup>61</sup> [Canadian Climate Institute 4](#)

<sup>62</sup> [Ibid.](#)

<sup>63</sup> [Submission to the Energy Affordability Working Group](#)

<sup>64</sup> [Canadian Centre for Policy Alternatives 6](#)

cost of driving a fossil fuel vehicle.

## 10. A green economy is best for job creation and prosperity.

- By 2025, scenarios show that climate change will likely cause the loss of 194,000 jobs across the country, with this number potentially increasing to **478,000 by mid-century**.<sup>65</sup> Fortunately, Canada's commitment to reach **net zero emissions by 2050 may result in an increase of 2 million jobs**.<sup>66</sup> This outpaces any potential jobs lost as a result of the renewable energy transition.
- A recent international cost-benefits analysis shows that **investments in climate change adaptation are economically beneficial**, even when calculated apart from the savings they create by averting risks.<sup>67</sup>
- The BC economy is well-positioned to invest in necessary green infrastructure given our triple A credit rating and diversified economy.<sup>68</sup> Borrowing money for long-term planning stimulates the economy and provides stability for the energy transition. This planning requires the vision and audacity that British Columbians deserve.
- Economist Nicholas Stern recommends that governments spend the equivalent of 2% of their GDP on climate change mitigation.<sup>69</sup> BC is currently only spending 1/5<sup>th</sup> of this amount. It's time for governments to make a good-faith investment in these necessary steps towards a sustainable tomorrow.

*Climate change impacts all of us, from the pocketbook to our healthcare. But regular people in B.C. aren't being given a voice when it comes to our direction on this crucial and timely issue. While individuals across B.C. are doing their part to fight climate change, we are waiting on government to speed up the shift to a green economy and gain the many co-benefits of taking action today.*

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<sup>65</sup> [Canadian Climate Institute](#)

<sup>66</sup> [Pembina Institute](#)

<sup>67</sup> [World Resources Institute 3](#)

<sup>68</sup> [Moody's Investors Service](#)

<sup>69</sup> [Grantham Research Institute on Climate Change and the Environment](#)

**ABOUT THIS FACT SHEET:**

This fact sheet was developed by the [BC Climate Emergency Campaign](#) in collaboration with [SFU's Community-Engaged Research Initiative](#) to explore the connections between affordability and climate change. This document pulls from polling data, expert reports, government documents, industry records and more to make the case that we can and should tackle the climate and affordability crises together. Climate action is of vital importance to our economy and the wellbeing of everyone in British Columbia.

**For more information on climate & affordability connections, visit**  
<https://bcclimateemergency.ca/affordability-climate>.