• We had interesting discussions yesterday with Minister Phillips and Wendy Booth from the Union of BC Municipalities about the carbon levy.
• Now that you’ve had an opportunity to consider those learnings, we’ll delve into some direct impacts for municipalities.
• As I’m sure you discussed during your budget process, the carbon levy began in January at $20 per tonne and will increase to $30 per tonne next year.
• As you can see on this slide, it will directly impact our costs associated with our facilities and our vehicles and equipment.
• We also expect there will be indirect costs.
AUMA surveyed our members last spring about the financial consequences of the levy. We know it was challenging for you to estimate the costs as many of you had not yet prepared your budget. However, we were able to get a rough indication from you that the levy would contribute to a 0.13 percent increase to operating budgets in 2017 and a 0.19 percent increase in 2018.
• As those projections seemed a bit low, we asked you to update your response to reflect the learnings from your recent budget exercise.
• We wanted to remind you that the deadline for your response is March 10.
• In the meantime, AUMA is continuing to advocate about the levy.
• I’ll quickly recap our messages that you heard us share with Minister Phillips yesterday.
• The province and municipalities need to work together to combat climate change.
• We recognize that carbon pricing can be effective in incenting change.
• Objective data should be gathered and publically reported by a credible third party regarding the GHG reductions associated with the levy.
The carbon levy should be used to support communities, whose economies are dependent on high carbon industries like coal, in transitioning to low carbon economic activities.

Municipalities should receive a rebate for the cost of the levy.

The Municipal Climate Change Action Centre can be used as a mechanism to flow carbon levy revenue to municipal projects.
To further inform our advocacy, we have some questions for you.

Question 1: How is the levy impacting your municipality?
  • For example, has the cost of the levy led your municipality to cut back or change any operations or services?
  • Are you factoring the cost of the levy into decisions around projects either positively or negatively?
  • Is it leading you to pursue energy efficient projects or scale back necessary projects?

Question 2: We would also like to hear how the levy is affecting the businesses and residents in your community.
  • What kinds of changes in behavior are you expecting?

Question 3: We want to know what other types of projects our Climate Change Action Centre could request be funded by the levy.
  • We already have programs to support energy efficiency buildings and lighting retrofits as well as solar energy installations.
  • What other types of supports do you need?
  • They could be financial support for things like recycling, walking trails or green spaces.
  • Or perhaps you need tools and hands on support for completing GHG inventories.

Thank you – AUMA will use this input to inform our advocacy.

Watch for updates in our weekly Digest and Board News.