



## **Greenhouse Gas Pollution Pricing Act is constitutional, now every jurisdiction must curb GHG emissions**

**25 March 2021, Vancouver** – The Supreme Court of Canada today held that the *Greenhouse Gas Pollution Pricing Act (GGPPA)* is constitutionally valid federal legislation, providing Canadians with greater confidence that climate change will be seriously tackled. The Canada Climate Law Initiative (CCLI) believes the decision sends a major signal to governments across Canada that we need to deploy all the tools available to meet Canada’s commitment to achieving net-zero carbon emissions by 2050 or sooner.

Significant is that the Supreme Court found constitutional authority under the “national concern doctrine”, a well-established but infrequently used part of the federal government’s powers under the peace, order and good government (POGG) clause in Canada’s Constitution. Critically important, the Court recognized that the *GGPPA* imposes minimum national standards of a greenhouse gas (GHG) price that creates incentives to reduce emissions, finding that carbon pricing is a well-recognized policy strategy to reduce emissions. The *GGPPA* creates a backstop policy that provinces and territories can build on, and one that prevents any single province from failing to implement carbon pricing. The Court also recognized the double aspect doctrine, finding that issues as important as climate change can be regulated by both federal and provincial/territorial governments from different perspectives. Provinces and territories can no longer delay the development and implementation of climate action plans. Climate change is a national concern and each jurisdiction must have a climate action plan to curb GHG emissions.

“This very significant decision of a six-member majority of Supreme Court makes it clear that the federal carbon pricing law, the *GGPPA*, is valid and must be respected. It ends any looming business uncertainty around carbon pricing in Canada and thereby requires corporations to diligently respond to the threat of climate change,” says Lisa DeMarco, Senior Partner and CEO at [Resilient LLP](#), and CCLI [Climate Governance Expert](#). She adds that “it also clearly indicates that carbon pricing is a key tool in the climate response tool box, and is a critical measure for the reduction of GHG emissions and crucial to our response to the existential threat of climate change in Canada and around the world.”

Every jurisdiction should contribute to reducing GHG emissions because the nature of emissions is extra-provincial and it requires a national effort to tackle climate change. This legislation is one of many strategies in the regulatory toolbox to effectively address climate change. CCLI helps corporate directors and pension trustees navigate the climate governance landscape by providing



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relevant tools, materials, and knowledge to consider risks and opportunities in respect with climate change.

### **About the Canada Climate Law Initiative**

The Canada Climate Law Initiative (CCLI) is a cross-disciplinary research initiative that advances the understanding of climate governance across Canada through research, dialogue and knowledge sharing. CCLI conducts rigorous legal analysis and consult with a national network of 67 Canadian Climate Governance Experts to bring up-to-date governance knowledge and tools to corporate and pension boards across Canada. CCLI is led by three principal investigators, Dr. Janis Sarra and Dr. Carol Liao from the Peter A. Allard School of Law, University of British Columbia, and Professor Cynthia Williams from the Osgoode Hall Law School, York University.

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