

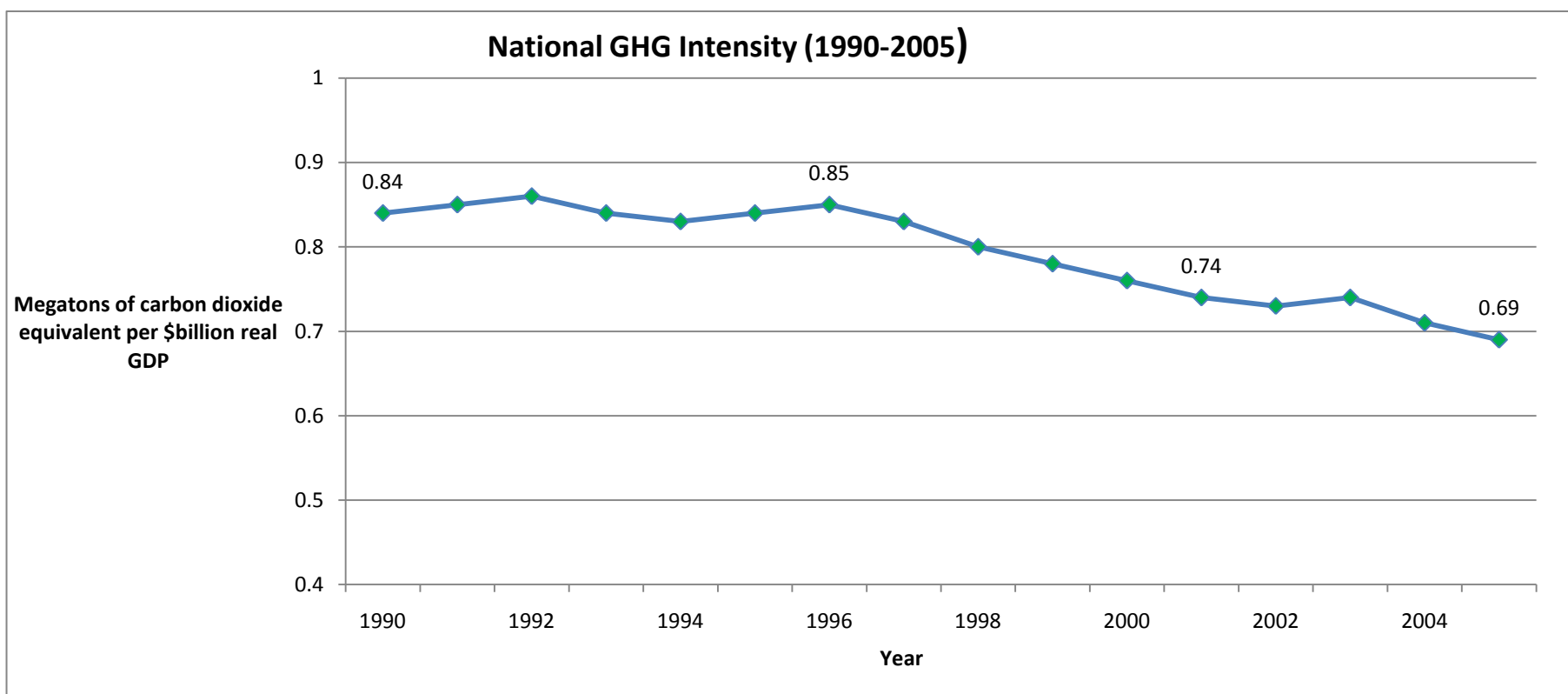
Fact Check on Greenhouse Gas Emissions

Despite conventional wisdom to the contrary, Canada has made impressive progress towards environmental sustainability over the past thirty years. Air, water and soil quality have all improved, and valuable natural resources such as our forests are managed more sustainably than just a few decades ago.

Despite this tremendous progress, some environmentalist activists describe Canada's recent environmental track record as a failure because our country has not reduced its overall greenhouse gas emission (GHG) levels, as several of our peer countries have done. These activists argue that it should be a source of national shame that Canada's total emission levels have increased by approximately 20 per cent since 1990, while other countries have achieved significant reductions.

However, despite the vocal complaints of some environmental activists, Canada's record is not uniformly bleak, even according to this indicator of environmental sustainability. Instead of simply observing that Canada's overall GHG emissions have increased while many other developed countries' have remained constant or decreased, it is important to ask why Canada's emissions have increased. The answer to this question is, quite simply, that Canada has experienced rapid population and economic growth over the past 20 years, whereas many of our peer countries have not. When one takes into account the fact that Canada has been a dynamic high-growth country during this time period, it becomes clear that Canada has actually made significant progress in this area.

This progress can be measured by looking at the efficiency of economic activity in Canada. The best indicator for this trend is *GHG emissions per unit of gross domestic product*. This indicator measures the GHG emission intensity of economic activity in a country by comparing the total amount of economic activity that takes place during a specific period with the total amount of GHG emitted during that period. This statistic is particularly valuable because it provides an indicator of GHG emission trends that does not punish population and economic growth.



- Counter to the bleak narrative put forward by some, Canada has made impressive progress in controlling its greenhouse gas emissions
- Canada has reduced the GHG intensity of its economic activity by 18 per cent since 1990.

As the chart above shows, Canada has significantly reduced the GHG intensity of its economic activity since 1990. To state the matter simply, this means that each dollar of economic production that occurs in Canada today produces significantly less greenhouse gasses than a dollar of production in 1990, even after an adjustment is made to control for the effect of inflation.

Although some countries such as the United Kingdom and Germany have reduced their GHG emission intensity more rapidly than has Canada in recent years, other large OECD economies such as Italy and Japan have not reduced their emission intensity as substantially as Canada has since 1990.

This indicator shows that rather than being the laggard some suggest, Canada has participated in a trend that has prevailed across the OECD toward lower levels of GHG emission intensity. In short, Canada's progress in this area has not been unusually slow when compared with its OECD peers. This indicator clearly shows that the widespread perception that Canada has made no progress toward controlling its GHG emissions is mistaken.

Data Source: Human Resources and Skills Development Canada