

Coordination: Climate Policy in Ontario

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Executive Summary

A 2020 Ontario Auditor General report found that the Ministry of Energy, Northern Development and Mines' mandate was not aligned with the broader climate goals of the Ontario government, particularly emissions reduction. This report identifies best practices and recommendations to increase climate policy integration within the provincial government of Ontario. In order to do so, the following is considered: how to coordinate policies across government stakeholders, the implications for decision-makers and how to manage the need to support cross-government climate targets.

Lessons Learned

In line with the research objectives, three main findings were identified. First is that independent expert advisory bodies are effective because they can help inform government decisions and monitor progress. Exploring the success of the UK Committee on Climate Change and drawing on examples from the Canadian context highlights that applications of expert bodies and committees have proven to be productive in the past. Second, a joint approach to policy development and coordination can help create recommendations and achieve milestones across multiple sectors. By evaluating the Joint Agency Report and the Integrated Energy Policy Report by the California Energy Commission, it is clear that adopting a multi-stakeholder and multi-sectoral approach is necessary for achieving policy targets and coordination. Third, and finally, placing climate personnel in key government offices can result in increased pursuance of climate initiatives. Through exploring the case of British Columbia's climate action secretariat, it becomes obvious that embedding climate personnel in influential spaces provides legitimacy and power to manifest climate change mitigation efforts.

Recommendations

Recommendations were generated based on the findings of the report, and are presented as options that will increase the Ontario government's ability to coordinate climate policies and objectives across ministries. First, Ontario should establish an independent committee on climate policy, modelled after the UK Committee on Climate Change and National Roundtable on the Environment and Economy. Special attention should be paid to ensuring the depoliticization of this committee in order to ensure its institutional credibility and longevity. Secondly, Ontario should implement a network approach to climate policy development, through strengthened engagement between ministries, provincial agencies, municipalities and community and industrial stakeholders. The publication of joint reports will allow these bodies to integrate individual goals into a broad and comprehensive climate strategy. Lastly, Ontario should increase the amount of climate personnel across government in order to greater focus on climate policy. A coordinating office located centrally in the government structure will be able to serve as a channel for communication between ministries, and the addition of climate personnel in non-climate focused ministries will be able to ingrain climate considerations in all areas of policy making.

Introduction

In 2020, the Ontario Auditor General published a report acknowledging the need to make climate change and the reduction of greenhouse gas emissions a cross-governmental priority.¹ Ontario's goal is to reduce greenhouse gas emissions by 30% below 2005 levels by 2030.² This same report identified how various ministries, including the Ministry of Energy, Northern Development and Mines (Ministry of Energy), have not aligned their policies with the climate targets of the Ontario government.³ The Ministry of Energy has a mandate to provide safe, affordable and reliable energy.⁴ Reconciling this mandate with broader provincial climate goals will be important to ensuring an effective and sustainable energy policy.

This report examines various ways to integrate climate issues into broader policy making. Research methods and objectives will be outlined to understand how this issue was approached. The lessons learned from research will be presented, as well as several case studies which were analyzed to understand best practices in the incorporation of climate policy. From this, three recommendations are made to approach climate integration in the Ontario context. Finally, a number of limitations to climate policy integration are considered. To properly address climate issues, coordination is key. Climate policy is a cross-sectoral and whole-of-government activity, however there is little integration of climate policy in practice.⁵ Ultimately, it is necessary to coordinate climate policy in order to address the issue of climate change properly.

Methods

To understand how to approach the problem outlined in the introduction, three primary avenues of research were used to guide findings for this report.. First, to conduct a cross-jurisdictional scan, grey literature, including government documents and reports were examined to understand how climate policy integration has been approached. A few specific case studies were focused on for this report, therefore a majority of the government and organizational reports examined were related to these. Additionally, reports and documents that highlighted the climate policy situation in Ontario were explored. Second, academic literature that explored climate policy integration

¹ Office of the Auditor General of Ontario, "Value-for-Money Audit: Reducing Greenhouse Gas Emissions from Energy Use in Buildings", (November 2020), https://auditor.on.ca/en/content/annualreports/arreports/en20/ENV_reducinggreenhousegasemissions_en20.pdf (Accessed: April 3, 2021)

² Ministry of the Environment, Conservation and Parks, *Preserving and Protecting our Environment for Future Generations: A Made-in-Ontario Plan*, (2018), pp. 21

³ Office of the Auditor General of Ontario, "Value-for-Money Audit: Reducing Greenhouse Gas Emissions from Energy Use in Buildings"

⁴ Ministry of Energy, Northern Development and Mines, <https://www.ontario.ca/page/ministry-energy-northern-development-and-mines> (Accessed April 11, 2021)

⁵ Imran Habib Ahmad, "Climate Policy Integration: Towards Operationalization," DESA Working Paper No. 73, (March 2009), ST/ESA/2009/DWP/73, pp. 1

was used to provide guidance on theoretical approaches to the problem outlined in the introduction. Third, and final, interviews were conducted to determine the applicability and feasibility of the cases examined in the Ontario context. Interviews conducted included a project manager and policy manager at the Ministry of Environment, as well as a professor at the Faculty of Environmental and Urban Change at York University. The interviews provided a valuable perspective that was not available through literature.

Research Objectives

To understand the direction of the project, a number of research objectives were outlined to guide the research as it was carried out. They are as follows:

1. How to manage the need to support cross-government climate targets
2. How to coordinate policies across relevant government stakeholders
3. Define the implication for decision-makers
4. Identify and benchmark effective strategies and models from other jurisdictions
5. Determine the feasibility and transferability of these identified strategies

These objectives provided guidance while carrying out research and have led to some key lessons learned, which have in turn informed recommendations for the problem outlined later.

Lessons Learned

To understand how to approach climate policy integration in Ontario, a number of case studies were examined. Upon examination, three key issues were identified, which will then inform the recommendations made in this report.

Finding #1: Independent expert advisory bodies are effective because they can help inform government decisions and monitor progress

Independent expert advisory bodies have the ability to influence the development of climate policy. In general, the increased establishment of expert advisory councils can be linked to the growing importance of scientific and technological issues in human well-being, productivity and security.⁶ This has led to the increased need for reliable and authoritative advice on issues where expert understandings on technical issues are required.⁷ In particular, they are effective because

⁶ Kate Crowley & Brian Head, “Expert advisory councils in the policy system,” in *Routledge Handbook of Comparative Policy Analysis*, Brans, M. Geva-May, I. and Howlett, M. (eds.), (2017), (New York and London: Routledge), pp. 182

⁷ Ibid

they can help inform government decisions and monitor progress. These bodies provide advice and evidence to inform policy strategies to engage with climate issues.⁸

The United Kingdom Committee on Climate Change

The UK Committee on Climate Change (CCC) is a leading example of one such body that has significantly impacted climate policy in the UK. The CCC was established under the UK *Climate Change Act 2008*.⁹ Members of the CCC are chosen for their technical expertise and not as representatives of particular political parties or interest groups, and the committee also receives support from a 30-person secretariat.¹⁰ Funding is provided by the UK government, as well as the devolved administrations of Scotland, Northern Ireland and Wales, and it has a typical annual budget of £ 3.5-4.0 million.¹¹ Roles and responsibilities of the CCC include recommending appropriate emissions reductions targets to parliament, advising the government on risks and opportunities as well as providing on-demand advice to the UK government.¹² Importantly, the CCC does not have formal policy making powers, rather it relies on the political embarrassment that its assessments may cause to keep the government accountable.¹³ Over the years, the CCC has withstood governmental changes, a financial crisis and Brexit which demonstrates its longevity and stability.¹⁴

The prominence of the CCC suggests that independent expert advisory bodies can be key to ensuring evidence-based decision making, as well as providing dependable and consistent climate policy.¹⁵ It has also been suggested that delegating policy decisions to independent advisory bodies, which are isolated from electoral politics, can be an effective ‘commitment device.’¹⁶ Recent research into the CCC has shown that it is considered to be a “widely-trusted and respected information source” that has introduced “analytical honesty and rigour into the UK

⁸ Harriet Dudley, Andrew J. Jordan and Irene Lorenzoni, “Independent expert advisory bodies facilitate ambitious climate policy,” *Science Brief Review*, (March 2021), https://ueaeprints.uea.ac.uk/id/eprint/79577/1/Published_Version.pdf

⁹ Canadian Institute for Climate Choices, “Climate Legislation in the United Kingdom,” March 2020, <https://climatechoices.ca/wp-content/uploads/2020/04/CICC-UK-Case-StudyX.pdf> (Accessed April 1, 2020)

¹⁰ Alina Averchenkova, Sam Fankhauser & Jared J. Finnegan, “The influence of climate change advisory bodies on political debates: evidence from the UK Committee on Climate Change,” *Climate Policy*, February 2021, pp. 3

¹¹ Ibid

¹² London School of Economics, “Policy brief: The role and influence of the UK’s Committee on Climate Change,” (October 2018), pp. 3 https://www.lse.ac.uk/GranthamInstitute/wp-content/uploads/2018/10/The-role-and-influence-of-the-UKs-Committee-on-Climate-Change_policy-brief.pdf

¹³ Ibid

¹⁴ Canadian Institute for Climate Choices, “Climate Legislation in the United Kingdom”; Averchenkova et al. “The influence of climate change advisory bodies on political debates: evidence from the UK Committee on Climate Change”, pp. 3

¹⁵ Canadian Institute for Climate Choices, “Climate Legislation in the United Kingdom”

¹⁶ Averchenkova et al. “The influence of climate change advisory bodies on political debates: evidence from the UK Committee on Climate Change”, pp. 3

climate policy debate.”¹⁷ Since 2008, the CCC has gained a reputation with diverse stakeholders, including across political parties, as an authoritative, credible and trusted voice on climate change in the UK.¹⁸ For example, the first five UK carbon budgets were all set at levels recommended by the CCC, despite changes in government.¹⁹ Due to its success, other governments are modelling their climate change legislation and external advisory bodies after the UK Climate Change Act and the CCC. For example, in 2019 New Zealand introduced the *Climate Change Response (Zero Carbon) Amendment Act* which legislates a climate accountability framework including emissions reductions target and establishing an independent expert advisory body. Advisory bodies around climate change issues are beginning to become more commonplace and should be seen as a key component of a wider institutional framework of climate governance.²⁰ Lessons from the CCC can be used to inform the formation of independent expert advisory bodies in other jurisdictions.

The Environmental Commissioner of Ontario

An interview with a professor at York University, Mark Winfield, highlighted that due to Ontario’s lack of institutional autonomy, the environmental commissioner was one of the closest initiatives to being able to ensure province-wide acknowledgement for environmental goals. The environmental commissioner of Ontario (ECO) was responsible for upholding the Environmental Bill of Rights (EBR). A limitation of the ECO is that it had no regulatory powers, just the ability to create policy suggestions. However, as Winfield mentioned, this acts as more of a proto-institution, which is a new practice, rule, or technology that exceeds a particular collaborative relationship and may become characterized as a new institution. Research shows that “organizations wishing to affect change in institutional fields must pay attention not only to their relationship with their collaborating partner, but also to how the collaboration embeds them in the wider institutional field.”²¹ The ECO acted in this way through the collaboration and information-sharing environment it helped foster. For example, the EBR was amended in 2009 giving the ECO the responsibility to report annually on Ontario’s progress in reducing greenhouse gas emissions and energy conservation. Furthermore, the environmental commissioner of Ontario helped to increase participation in environmental decision-making and to hold ministries accountable for their decisions as they affect the environment.

¹⁷ Averchenkova et al. “The influence of climate change advisory bodies on political debates: evidence from the UK Committee on Climate Change”, pp. 4

¹⁸ Ibid

¹⁹ Ibid

²⁰ Ibid, pp. 14

²¹ Thomas B. Lawrence, Cynthia Hardy & Nelson Phillips, “Institutional Effects of Inter-Organizational Collaboration: The Case of *Mère et Enfant (Palestine)*,” <https://minerva-access.unimelb.edu.au/bitstream/handle/11343/116428/24-The+institutional+effects+-+RN+-+2-01.pdf?sequence=4> (Accessed April 9, 2021)

The National Roundtable on Climate Change and the Economy

The National Roundtable was an independent policy advisory agency to the Government of Canada that existed until 2013. Its mandate was to “find sustainable pathways that help preserve our environment while building a strong economy.”²² This pathway involved research on issues of sustainable development, advice to governments and citizens about realistic solutions, and convening diverse perspectives from leaders and experts.²³ The National Roundtable offered advice to governments on how to best reconcile environmental and economic considerations in public policy choices.²⁴ Its multi-stakeholder approach also brought together leaders from diverse backgrounds and expertise, such as Indigenous communities, industry and public policy. This fostered social buy-in and consensus of agreed-upon solutions.²⁵ Throughout its lifespan, the National Roundtable released dozens of reports on high-priority issues like climate, water, energy, biodiversity and governance. It was also instrumental in forming the 2012 carbon model,²⁶ suggesting that something similar may be useful as well at the provincial level.

Ultimately, the activities of the National Roundtable came to an end in 2013 when it was defunded by the federal government. Apart from the political tensions between the Harper government and Roundtable, there were a number of other factors that accelerated its downfall, which serve as important lessons for the establishment of any potential expert bodies in Ontario. These factors largely stemmed from the Roundtable’s inability to engage with a broader set of stakeholders, such as the Federal bureaucracy, senior public service officials, academic experts and the greater Canadian population.²⁷

Finding #2: A joint approach to policy development and coordination can help create recommendations and achieve milestones across multiple sectors

California Energy Commission

The California Energy Commission (CEC), the energy policy and planning agency for California, provides some key lessons for how the Ministry of Energy can adapt its practices to

²² National Roundtable on the Environment and the Economy, *Our Mission*, <http://nrt-trn.ca/mission---finding-sustainable-pathways> (Accessed April 11, 2021)

²³ National Roundtable on the Environment and the Economy, *Our Process*, <http://nrt-trn.ca/nrt-process> (Accessed April 11, 2021)

²⁴ National Roundtable on the Environment and the Economy, *Our Mission*

²⁵ Dr Ann Dale, Carrie Spencer & Dr. Chris Ling, “The National Roundtable on the Environment and the Economy (NRTEE): Expanded Decision-Making for Sustainable Development,” *Case Studies: Interactive Case Studies in Sustainable Community Development*, Community Research Connections, (June 8, 2007), <https://www.crcresearch.org/community-research-connections/crc-case-studies/national-round-table-environment-and-economy-nrtee-e> (Accessed April 3, 2021)

²⁶ Andrew Gage, “A Carbon Budget for Canada: A Collaborative Framework for Federal and Provincial Climate Leadership,” (December 2015), [https://www.wcel.org/sites/default/files/publications/CarbonBudget%20\(Web\)_0.pdf](https://www.wcel.org/sites/default/files/publications/CarbonBudget%20(Web)_0.pdf) (Accessed April 7, 2021)

²⁷ Dale, Spencer & Ling, “The National Roundtable on the Environment and the Economy (NRTEE): Expanded Decision-Making for Sustainable Development”

reconcile energy and climate policy. The CEC has a statutory requirement under Senate Bill 100 (SB 100) to produce 100% carbon-free energy by 2045.²⁸ Unlike Ontario, which focuses on renewable energy targets, this measure allows some flexibility for how targets can be achieved. Notably, two approaches by California stand out when examining this case. First, the Joint Agency Report developed in collaboration with the California Energy Commission (CEC), California Public Utilities Commission (CPUC), and California Air Resources Board (CARB).²⁹ Starting in 2021, these agencies are required to submit a collaborative report every four years. Second, the CEC produces an Integrated Energy Policy Report (IEPR) which provides an assessment of various sector trends and recommendations.³⁰

The joint approach focuses on identifying challenges, opportunities and costs for achieving California's climate goals. Together, the CEC, CPUC and CARB coordinate policies across sectors for initiatives like generating energy efficiency, load flexibility on the electric grid and R&D.³¹ For example, with respect to building decarbonization, the CEC promotes energy efficiency by updating and improving standards approximately every three years.³² The CPUC oversees hundreds of utility ratepayer-funded programs across the state to improve compliance with building and appliance codes and to encourage businesses, industries and homeowners to use new technologies that exceed the standards.³³ As more collaboration is required to achieve the clean energy mandate, the CEC and CPUC will also be coordinating to assess resource availability to ensure long-term system reliability.

With respect to public engagement, the CEC, with support from the CPUC and CARB has been able to coordinate with balancing authorities and create a stakeholder report.³⁴ It has also organized workshops for topics including, regional scoping, technologies and scenarios workshops, modeling inputs and assumptions, and modelling results and implications.³⁵ There has also been additional outreach and engagement, specifically with the Clean Energy States Alliance (CESA) to facilitate knowledge sharing for states with the same goals and the Disadvantaged Communities Advisory Group to track the impacts on energy transition on low-income communities.³⁶

The Integrated Energy Policy Report (IEPR), which provides an assessment of various sector trends and recommendations, is the second notable activity by the CEC. It intends to provide

²⁸ California Energy Commission, "SB 100 Joint Agency Report: Achieving 100 Percent Clean Electricity in California: An Initial Assessment," (March 2021)

²⁹ California Energy Commission, "SB 100 Joint Agency Report"

³⁰ California Energy Commission, "Integrated Energy Policy Report," <https://www.energy.ca.gov/data-reports/reports/integrated-energy-policy-report> (Accessed April 10, 2021)

³¹ Ibid

³² California Energy Commission, "SB 100 Joint Agency Report," pp. 35

³³ Ibid

³⁴ Ibid, pp. 47

³⁵ Ibid, pp. 48-53

³⁶ California Energy Commission, "SB 100 Joint Agency Report," pp. 53-54

“actions the state and others can take to ensure a clean, affordable, and reliable energy system.”³⁷ The report evaluates different issues like transportation, electricity and natural gas and microgrids. Some of the recommendations the report proposes are generic, such as investing in additional research to understand the trends better³⁸ and collaborating with other countries to accelerate investments and share lessons learned.³⁹ Others are more sector-specific recommendations like increasing the sale of zero-emission vehicles⁴⁰ and recommending that the California Air Resources Board (CARB) re-evaluate telecommuting programs as potential transportation control measures for reducing emissions.⁴¹

This collaboration has led to greater policy coordination in sectors that, in Ontario, produce the majority of emissions but lack coordination with the Ministry of Energy, namely transportation and buildings. It has also created a forum for stakeholders to comment and provide feedback through a formal online docket system.⁴² Ontario may even benchmark specific policies like setting formal renewable portfolio standard (RPS) targets to help meet emissions reductions targets and increasing R&D investment.⁴³ For example, the CEC administers the Electricity Program Investment Charge (EPIC) program which invests over \$130 million in developing emerging clean energy technologies.⁴⁴ State agencies are working together to spur innovation in areas that will be critical to cost-effectively meeting the goals of SB 100.⁴⁵ The state’s long-term electricity planning processes informs its approach to innovation for a cost-effective clean energy transition, helping identify technology characteristics that can deliver a decarbonized grid, reduce costs, increase resilience and reliability, and contribute to improved air quality.⁴⁶

California’s strategy represents a polycentric climate governance approach. Polycentric climate governance is defined as entailing “actors [that] can organize not one but multiple different governing entities at different scales, from local to national” and that there is an inclusion “of actors with a vested interest in the continuity and expansion of energy efficiency efforts.”⁴⁷ The literature also supports that this governance approach would be suitable for the Ontario context when pursuing low-carbon transitions, especially given that Canada’s governance system is

³⁷ California Energy Commission, “Final 2020 Integrated Energy Policy Report Update Volume 1: Blue Skies, Clean Transportation,” (March 2021), pp. 1

³⁸ Ibid, pp. 39

³⁹ Ibid, pp. 120

⁴⁰ Ibid, pp. 77

⁴¹ Ibid, pp. 39

⁴² California Energy Commission, “Docket Log,” <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=19-SB-100> (Accessed April 11, 2021)

⁴³ California Energy Commission, “SB 100 Joint Agency Report,” pp. 25

⁴⁴ Ibid, pp. 36

⁴⁵ Ibid, pp. 106

⁴⁶ Ibid

⁴⁷ Mark Winfield et al., “Effective and Resilient Governance for Energy Efficiency in Low-Carbon Sustainable Energy Transitions,” *Sustainable Energy Initiative*, (February 2020), Studies in Ontario Energy Policy Series No. 7, York University pp. 44, <https://sei.info.yorku.ca/files/2020/02/UnpackingTheClimatePotential-Feb22.pdf?x46177> (Accessed April 5, 2021)

characterized by a rigid separation of power.⁴⁸ The academic literature therefore illustrates that cross-functional and multi-stakeholder approaches like those used in California would be effective provincially.

Some researchers have suggested that Ontario should consider setting up a similar agency to the CEC called Energy Efficiency Ontario (EEO). EEO would have a mandate to “develop a comprehensive, integrative energy efficiency strategy for the province, updated on a cycle of not more than five years, including electricity and natural gas dimensions of energy use” and would also “undertake energy efficiency potential studies for the province, conduct research on standards, codes, and program design, evaluate program performance, and report annually on the province’s overall energy efficiency progress.” However, setting up an entirely new agency (with some overlapping powers with the ENDM and OEB) may be challenging. The recommendations provided later in the report may be better suited for addressing Ontario’s climate and energy-related issues.

Sweden

Sweden is another jurisdiction that is also adopting a multi-stakeholder approach, but with an emphasis on the private sector. The country engaged industry actors by asking how the government could support and empower them to meet their climate goals.⁴⁹ Sweden hosts several annual conferences and events to engage diverse stakeholders like policymakers, public agencies and private companies on action for climate empowerment. In 2015, the country launched the Fossil-Free Sweden initiative, launched in 2015 to showcase and promote actors who help solve climate issues and achieve the goal of a fossil-free society.⁵⁰ Sweden’s Seventh National Communication on Climate Change reported that “increasing engagement is reflected in the growing numbers of business networks that promote business development within climate and environment.”⁵¹

Finding #3: Including climate personnel in key government offices can result in increased pursuance of climate initiatives

In British Columbia, a climate action secretariat was created under then-premier Gordon Campbell in 2007.⁵² Placed within the premier’s office, the secretariat was placed in an elevated position within the provincial government, and was able to make climate change a priority across

⁴⁸ Colleen Kaiser, “State Steering in Polycentric Governance Systems: Climate Policy Integration in Ontario and California’s Transportation Sectors,” Dissertation: York University, Faculty of Environmental Studies, (March 2020), pp. ii

⁴⁹ Ministry of the Environment and Energy, “Sweden’s Seventh National Communication on Climate Change,” *Government Offices of Sweden*, (2018), pp. 46, https://unfccc.int/files/national_reports/annex_i_natcom/application/pdf/6950713_sweden-nc7-1-swe_nc7_20171222.pdf (Accessed April 10, 2021)

⁵⁰ Ibid, pp. 121

⁵¹ Ibid, pp. 17

⁵² Marc Lee, “The rise and fall of climate action in BC,” *Policynote*, (February 13, 2017) <https://www.policynote.ca/the-rise-and-fall-of-climate-action-in-bc/> (Accessed March 31, 2021)

the provincial government and coordinate between ministries.⁵³ While the office was quite successful in coordinating climate policy from the highest level of provincial government, its success was relatively short-lived.⁵⁴ However, following the 2008 economic recession, the office became merged within BC's Ministry of environment, losing its centralized role and putting it on par with all the other ministries.⁵⁵ This example demonstrates the politicized nature of these offices, which operate at the will of the government in power. During our interview with Mark Winfield, he mentioned that an alternate form of this strategy in BC occurred by embedding personnel in powerful ministries, specifically finance. When Christy Clark attempted to repeal many of Gordon Campbell's climate policies, the Ministry of Finance articulated that carbon tax revenue was critical in ensuring government services and could not be easily repealed. As the carbon tax is one of the only remaining vestiges of Gordon Campbell's climate policies, this demonstrates the power that influential ministries can have over policy decisions.⁵⁶

Recommendations

On the basis of the findings described in the previous section, this report puts forth three recommendations that would provide the Ontario government and Ministry of Energy, Northern Development and Mines with greater capacity to coordinate climate policy and objectives. It is recommended that the province:

1. Establish an independent expert body to provide increased clarity over policy direction;
2. Adopt a joint approach to policy making to coordinate objectives across ministries and agencies;
3. Increase the number of climate policy personnel across government to embed climate considerations in policy making.

Recommendation 1: Appoint an Independent Committee on Climate Policy

Based on the finding that independent expert bodies are an effective means of informing government decisions and monitoring progress, it is recommended that Ontario establish an independent expert committee on climate policy to serve as a knowledge hub for climate policy in the province. This body, composed of policy experts, scientists and industry leaders, would serve to guide and influence the development of climate policy alongside the government.

⁵³ Will Horter, "One step forward, two steps back," *Dogwood*, (March 4, 2016), <https://dogwoodbc.ca/news/one-step-forward-two-steps-back/> (Accessed March 31, 2021)

⁵⁴ Lee, "The rise and fall of climate action in BC"

⁵⁵ Justine Hunter, "Cabinet shuffle moves climate agenda further from Premier's reach," *The Globe and Mail*, (January 20, 2009), <https://www.theglobeandmail.com/news/british-columbia/cabinet-shuffle-moves-climate-agenda-further-from-premiers-reach/article1152021/> (Accessed March 31, 2021)

⁵⁶ Horter, "One step forward, two steps back"

As an independent body, the committee would be a non-partisan, trusted and authoritative voice on climate policy, modelled after the UKCCC and National Roundtable on the Environment and Economy. It would fulfill a number of key roles accomplished by the examples, such as the advisory function of the UKCCC. As a trusted voice on climate policy for all political parties, the expert committee would be able to assist parliamentarians in overcoming political hurdles associated with climate policy and communicate key facts and findings as necessary. The committee would also play a role in the development of climate policy options, like that played by the National Roundtable on the Environment and Economy. In this role, it would be able to leverage the expertise of committee members to set carbon budgets for government approval, report progress to the government on whether greenhouse emissions targets are being met, and collaborate with other organizations and stakeholders, such as NGOs and academics to share evidence and analysis.

Presently, Ontario has the Advisory Panel of Climate Change, which was established in 2019.⁵⁷ However, due to the perceived closeness between panel members and government officials and having neither a clear mandate nor budget to conduct its operations, the advisory panel has yet to do any meaningful work in climate policy coordination or development. Therefore, the expert committee should be established following a set of criteria to ensure its independence and agency, which will lead to greater institutional legitimacy and credibility. Firstly, members of the committee should not be appointed by elected politicians and should be given the space to conduct operations free of government influence. This will give the committee stronger credibility across political parties as well as the freedom to be candid in their research. In addition, the committee should be given a clear mandate with specific instructions so that committee chairs and members are clear about the committee's role and responsibilities. Lastly, the committee should be provided with a reasonable annual budget, which will provide them with sufficient resources to perform their duties and feel empowered to do so.

Legitimacy and Credibility

A key consideration with regards to independent expert bodies is the ability to maintain an effective relationship with the government in power, while continuing to conduct its work in an effective manner. As seen with the National Roundtable on the Environment and Economy, even decades-old committees can lose their legitimacy and be defunded if they come into significant clashes with the government. In order to ensure the institutional longevity of these committees while still generating effective outcomes, special attention should be paid to ensuring its de-politicized nature, both during the development stage and in the following years.

Drawing upon the lessons of the National Roundtable, the committee should prioritize its engagement with various stakeholders to present itself as a credible voice in climate policy to

⁵⁷ Ontario Government, "Ontario Appoints Advisory Panel on Climate Change," *News Release*, (November 28, 2019), <https://news.ontario.ca/en/release/54791/ontario-appoints-advisory-panel-on-climate-change> (Accessed April 1, 2021)

government officials, academics and the Ontario public. In addition, in its infancy stage, the committee should not focus its efforts on activities that tend to draw the ire of the government and disrupt its political credibility with elected politicians, such as auditing or other forms of public critique. While public criticism can be an effective way of spurring government action, they can also negatively affect the committee's institutional standing and lead to dissolution, especially with an opposing government in power. Without public criticism, the committee can still be a very effective body through research, education, and engagement with the Ontario government and Ontarians alike.

Recommendation 2: Utilize a Network Approach

Following the finding on the effectiveness of joint approaches to policy making, it is recommended that the Ontario government adopt a network approach to policy making, which would enhance communication across stakeholder groups and create broader, cross-ministry solutions. In Ontario's regulatory structure, the key stakeholders include four Ministries: Energy, Northern Development and Mines, Environment, Conservation and Parks, Municipal Affairs and Housing, and Transportation. In addition to the ministries, the Ontario Energy Board is also a key stakeholder in regulating Ontario's energy and utilities, a major source of emissions in the province. Lastly, community and industrial leaders should also be included in the network structure as a source of public opinion to increase the participatory process.

Production of Joint Reports

While ministries are already in communication with each other and doing collaborative work, there are a number of important outcomes that could be achieved with stronger collaboration, such as the production of joint reports similar to those created in California. For example, a joint climate report published between the four aforementioned ministries would be helpful in aligning ministerial climate policies and enhance coordination. Published every 2-4 years, the joint report would outline the province's progress on achieving climate goals, while discussing challenges, opportunities and costs. On the topic of energy specifically, the Ministry of Energy should work with the Ontario Energy Board to produce an annual Integrated Energy Policy Report to assess sector trends and provide recommendations on energy use across multiple sectors such as transportation, low-carbon energy, and buildings. Policy coordination can be enhanced through the production of joint reports between key policymaking bodies, as information is shared and overall goals are aligned.

Joint reports not only enhance internal policy coordination, but they are also helpful to the public in communicating progress of stated government goals and new updates. Receiving public feedback can also be very helpful to the continued development of climate policies, as it can provide insight to the government on whether certain policies are helpful or not. In order to obtain input from community and industrial stakeholders, as well as the general public, the

reports should be uploaded to the Environmental Registry of Ontario to receive feedback about the impact of the decisions.

Local Government Integration

Through a number of interviews, it was clear that local governments have a strong part to play in the implementation of climate policy, since many key climate and energy issues play out at the municipal level, such as housing and transportation. Therefore, improved coordination between provincial and city governments is another area that would lead to more effective climate policy, as many cities in Ontario have climate actions strategies but often look to higher levels of government for support. To achieve this, relevant ministries should establish municipal liaison offices to offer direct lines of communication between municipal and provincial officials on key issues requiring collaboration.

Recommendation 3: Strengthening Climate Personnel Across Government

The third recommendation is based on the finding that a greater number of climate personnel in key government offices can lead to an increased pursuit of climate initiatives. The recommendation focuses on two main areas of the government structure, which are in central government positions and within powerful ministries. Climate personnel located centrally in a government structure are able to assist with coordinating policy objectives between different ministries, and the establishment of climate policy offices in key ministries will provide an added salience to climate objectives in government considerations.

Central Government Positions

British Columbia's Climate Action Secretariat has demonstrated that having a climate focused body in the Premier's inner circle can be very effective in coordinating provincial climate policy. However, other examples have demonstrated that such a high-level office is not necessary for achieving similar objectives. Throughout the interview process, officials within the Ontario government discussed the effectiveness of the Environmental Commissioner in communicating and coordinating climate policy across ministries. Although the Commissioner mainly performed an auditing function, its position within the government structure allowed it to maintain communications and coordinate in an informal capacity between the relevant ministries. The Environmental Commissioner's effectiveness in coordinating policy albeit in an informal capacity, demonstrates that the key to a successful coordinating body is not the degree of power it has, but rather its position within the government structure and ability to engage with various ministries. Since the Environmental Commissioner's integration into the Auditor General's offices, it has not had the capacity to engage with ministries as it had previously. Therefore, it is recommended that Ontario expand the environmental portfolio inside the Auditor General's office, giving it the capacity to collect and share information across ministries in a coordinating role.

Influential Ministries

The implementation of climate policies would also benefit from increased engagement on these issues from more influential ministries, such as the Ministry of Finance or Treasury Board Secretariat. Compared to the Ministries of Energy and Environment, these bodies have a much stronger influence on overall government policies as the managers of public revenues and expenses. Embedding climate policy at these departments creates a pathway for climate considerations to become a key part of any government policy, rather than it being an independent niche policy issue.

The example of British Columbia has shown the influence that finance departments can have a strong influence over climate policy when it affects provincial revenue. In light of the recent Supreme Court decision affirming a federal carbon tax, Ontario should adopt a provincial carbon tax regime, and establish an office within the Ministry of Finance to manage its revenues. Not only is a provincial carbon tax more appropriate than a federal one, but this would also integrate a climate objective with Ontario's overall fiscal policy.

Limitations

The recommendations outlined in the previous section all provide opportunities for cooperation on climate policy integration in Ontario. However there are some crucial aspects that need to be mentioned, which make implementing these recommendations more difficult given the current circumstances in Ontario. These include a lack of political will, lack of legislation and lack of financing. Importantly, these issues do not mean that these recommendations are entirely impossible, but they are more difficult. Rather, there is work that can be done to ensure that recommendations like these are ready to be implemented when opportunities arise.

Political Will

Lack of political will is a key issue as without this, almost none of the recommendations would be possible to implement. For example, creating an independent expert committee would require willingness from the government to allow something to operate at an arm's length. Similarly, carrying out an approach to implement climate personnel like in the BC example would require political initiative. The influence of political will on placing climate personnel in key areas of government can also be seen by the actions of the Biden administration. To ensure climate change is being centralized as an issue, and reverse the actions of the Trump administration, Biden's choices are ensuring that solutions to climate change are "being woven into every aspect

of [their] economic policy.”⁵⁸ This demonstrates the power that political will has in ensuring climate change is a prioritized issue.

However, there is increasing demand for an integrated environment perspective, as industry players and even gas companies are aligning on the belief that climate change should be taken seriously. This is clearly demonstrated by an increasing emphasis on Environment, Social and Governance (ESG) values in large asset management funds. For example, the Net Zero Asset Managers Initiative, which is composed of asset managers working with clients to achieve emissions reductions targets, now represents \$32 trillion assets under management, worth 36% of the global total.⁵⁹ This signals a shift of fundamental values in the private sector around the world, including in Ontario, where the political will of taking action on climate change will also begin to change.

Legislative Gap

A lack of legislation can result in less commitment to implement climate action initiatives like creating an independent committee or collaborating on joint initiatives. The UK CCC is statutorily mandated and protected, which provides it with the longevity that has allowed it to withstand governmental changes. From the UK CCC, we can see that a comprehensive framework law is an “essential tool to coordinate and advance climate change.”⁶⁰ Similarly, because SB 100 in California is statutory and not simply a directional policy, there is more pressure to commit to integrating climate policy. In contrast, in Ontario, the 30% emissions reduction target set by the Paris Agreement is not a legally binding target. Without legislative capacity, the same degree of motivation to adopt these initiatives is unlikely. Just as political will is necessary to see a recommendation like this implemented, having some legislative protection will give it a chance at withstanding governmental changes that may otherwise see its end.

Lack of Financing

Finally, lack of financing is a key issue when trying to devote resources to climate change and garner coordinated support. For example, currently climate issues are primarily the concern of the Ministry of Environment, Conservation and Parks which earns very little income in comparison to revenue generating ministries like the Ministry of Energy or Ministry of Finance. In California, the CEC appears to have greater financial capacity to support the development of renewable energy infrastructure and innovative technology. For example, it released a funding

⁵⁸ Mitch Ambrose and Adia Schwarber, “Biden Builds Out Administration-Wide Climate Team,” No. 4, January 14, 2021, <https://www.aip.org/fyi/2021/biden-builds-out-administration-wide-climate-team> (Accessed April 2, 2021)

⁵⁹ “Net Zero Asset Managers Initiative Triples in Assets Under Management as 43 New Asset Managers Commit to Net Zero Emissions Goal”, <https://www.netzeroassetmanagers.org/net-zero-asset-managers-initiative-triples-in-assets-under-management-as-43-new-asset-managers-commit-to-net-zero-emissions-goal> (Accessed April 7, 2021)

⁶⁰ Sam Fankhauser, Alina Averchenkova and Jared Finnegan, “10 years of the UK Climate Change Act,” *Grantham Research Institute on Climate Change and the Environment*, (April 2018), https://www.lse.ac.uk/GranthamInstitute/wp-content/uploads/2018/03/10-Years-of-the-UK-Climate-Change-Act_Fankhauser-et-al.pdf (Accessed March 30, 2021)

opportunity in 2019 to create research projects for offshore wind energy and committed \$100 million a year of seed funding for sustainable transportation infrastructure. Furthermore, the state's EPIC program invests more than \$130 million annually to support the development of emerging clean energy technologies. Without this type of financial support and commitment in Ontario, it will be very challenging for climate issues to be backed with financial power. However, if there is political will and priority placed on issues like climate change, then money can be found to support it through cost-cutting measures in areas deemed less important. Therefore, political will to implement these recommendations is necessary to overcome key roadblocks.

Conclusion

The coordination of climate policy and ministerial goals is necessary to see a cross-government approach to solving climate issues. The three recommendations outlined in the report provide a starting point to reconciling the goals of ministries with broader climate targets. As already mentioned, the limitations outlined in the previous section are real roadblocks to implementing these recommendations. However, this does not mean that the necessary background work cannot begin now to ensure that recommendations like these are ready if and when the right circumstances arise.