

Resolution 9

THE USE OF CARBON TAXES TO REDUCE CLIMATE CHANGE

Proposed by: Canadian Federation of University Women (CFUW)

Seconded by: Mexican Federation of University Women (FEMU)

The 32nd GWI General Assembly wishes to reaffirm Resolutions 1989/2, 1992/8, 1995/16 and 2010/7, and further resolves that:

- 1. National Federations and Associations (NFAs) urge their respective governments to adopt carbon taxes as the centre of a robust climate action plan;**
- 2. NFAs urge their respective governments to implement carbon taxes to reduce greenhouse gas emissions; and**
- 3. NFAs urge their respective governments to support the adoption of carbon taxes and other carbon reduction strategies around the world.**

Suggested Plan of Action:

1. NFAs should urge their respective governments to include carbon taxes in a national climate action plan
2. NFAs should urge their respective governments to develop and implement carbon taxes
3. NFAs should urge their national and local governments to support international adoption of carbon taxes and other carbon reduction strategies.

Supporting Statement:

This resolution focuses on the specific policy instrument that experts agree would be the most effective single measure in reducing greenhouse gas emissions, that is, to use carbon taxes.

We emit greenhouse gases by using oil and gas in large quantities; the combustion of fossil fuels produces greenhouse gases (mostly carbon dioxide) which absorb heat in the atmosphere, causing a rise in global temperatures and more unstable weather. Users of fossil fuels do not pay for the damage caused by the emissions they produce. Sir Nicholas Stern states, "...the emission of greenhouse gases is a market failure...that is, prices do not reflect the true cost to society of producing and using goods" (p. 11).

In Canada the province of British Columbia has had a successful carbon tax since 2008 which has cut emissions of greenhouse gases from fossil fuels by 10%, showing that carbon taxes can be politically acceptable and also effective. The alternative, emissions trading or “cap and trade” struggles with administration costs and political manipulation as well as unstable carbon pricing.

If carbon taxes (as taxes on consumption) are found to hit the poor relatively more than the wealthy this can be offset by redirecting the revenue into increasing benefits for the poor and by raising the income ceiling for taxes. Research does not substantiate the criticism that carbon taxes are also criticised on grounds of reducing GDP and thus reducing jobs.

The fear that industry will relocate to jurisdictions with low-emissions taxes (“carbon leakage”) does not seem to be a serious problem at the current levels of carbon taxes (\$20-\$100 per tonne of CO₂) within the EU (Anderson and Ekins p. 236). By 2020, as countries implement climate action plans, few places will remain for relocation, according to Carbon Market Watch.

Carbon taxes cause a shift in production from high-emissions industries to low-emissions industries; this is good for the economy and good for the environment. Ideally governments should create a carbon tax at a national level and encourage other governments to adopt similar carbon taxes to avoid companies being tempted to relocate to countries without carbon taxes.

The carbon tax needs to be part of all national Climate Action Plans so that the planet will remain a comfortable home for all and our grandchildren and their descendants.

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