

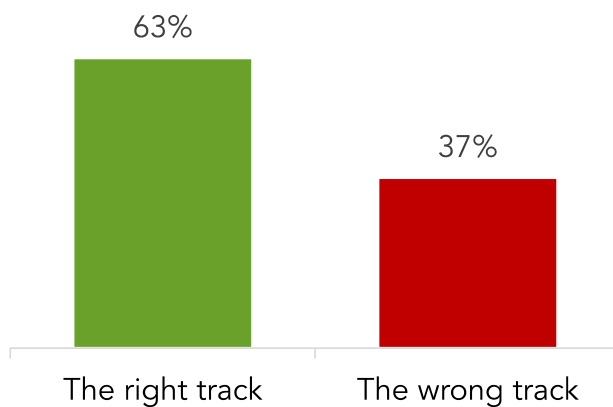
CLIMATE, CARBON, AND PIPELINES: A PATH TO CONSENSUS?

By Bruce Anderson & David Coletto

In our latest survey, in the wake of the federal announcement of a floor price on carbon, we explored questions around the federal government's approach to energy and climate change. Here's what we found:

- Roughly two out of three (63%) Mr. Trudeau is on the right track when it comes to his overall approach to reducing emissions and combat climate change, including two-thirds support in BC, Ontario, Quebec and Atlantic Canada. In Alberta, 35% say the government is on the right track, as do 28% in Saskatchewan¹. (caution re small sample size)
- The government direction is supported by 81% of Liberal Party voters, 64% of NDP and 32% of Conservative voters.

TRUDEAU APPROACH TO CARBON & CLIMATE



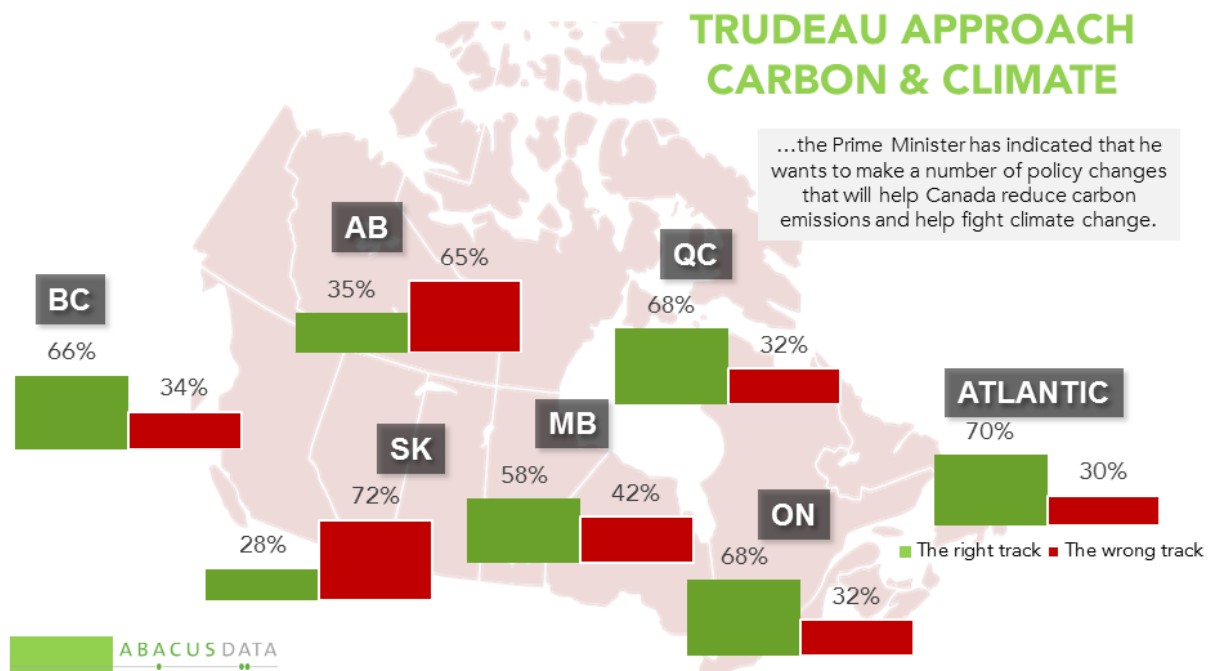
63%

Feel PM on the right track
in approach to reducing
carbon & fighting climate
change.

As you may have heard, the Prime Minister has indicated that he wants to make a number of policy changes that will help Canada reduce carbon emissions and help fight climate change.

Based on what you have seen, read or heard about the approach he is taking would you say he is on the right track or the wrong track?

¹ Note our sample size in SK is 53 respondents.

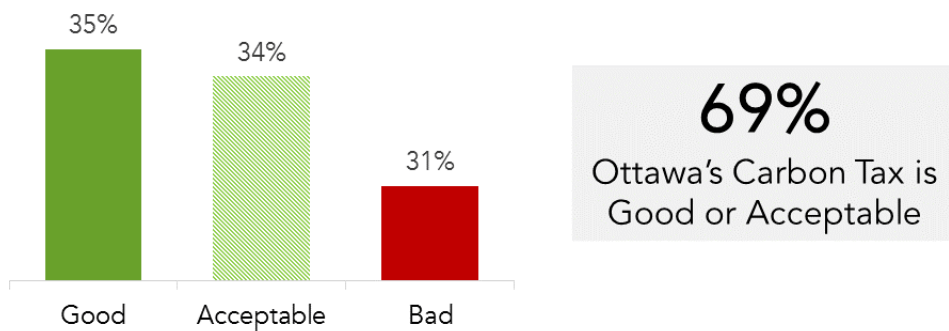


NATIONAL CARBON TAX

Respondents were given a brief description of the federal approach to carbon taxation, and here is what we learned:

- 35% said they thought the federal approach was a good one, and another 34% said it was acceptable. Roughly one in three (31%) said it was a poor approach.
- Acceptance (good plus acceptable) of the carbon tax is the majority view in every part of Canada but the Prairies, including 72% in BC, 73% in Ontario, 80% in Quebec and 72% in Atlantic Canada. In Alberta, 63% think the federal approach is a bad idea, and in Saskatchewan, 68% have a negative reaction.
- Across partisan lines, 85% of Liberals, 75% of NDP supporters, and 36% of Conservative supporters say the federal tax approach is good or acceptable. Support is highest among younger people but is the majority view across all age groups.

REACTION TO FEDERAL CARBON PRICING

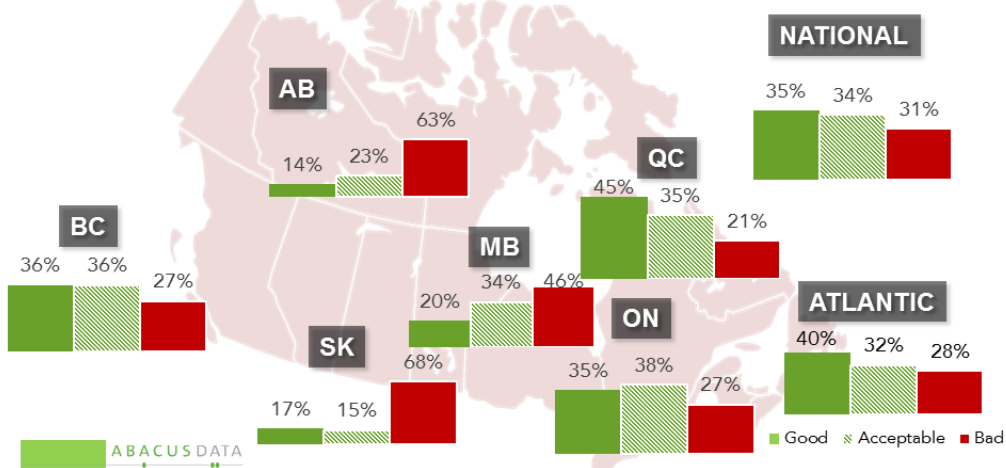


As you may have heard, the Prime Minister has announced that he will introduce a national price on carbon by 2018 which will increase over 5 years. The revenues will go back to the provinces where the taxes are paid and the national tax would only apply in provinces where there isn't already a similar policy in place.

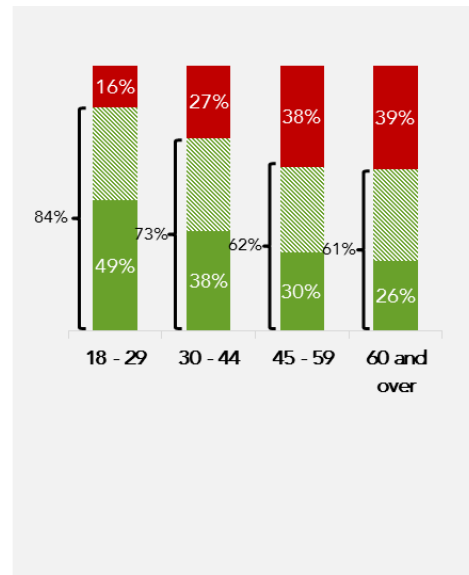
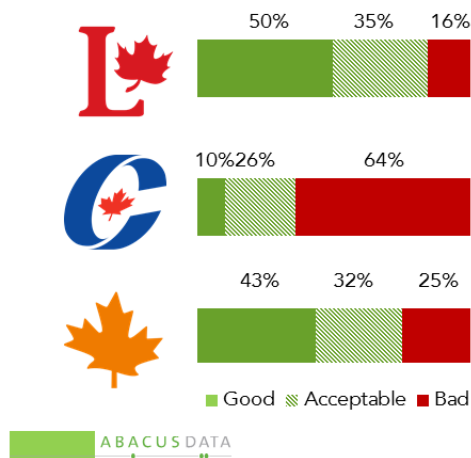
How do you feel about the approach the Prime Minister is taking on this issue. Would you say that he is taking a very good, good, acceptable, bad or very bad approach?

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REACTION TO FEDERAL CARBON PRICE



PM'S APPROACH TO CARBON PRICING

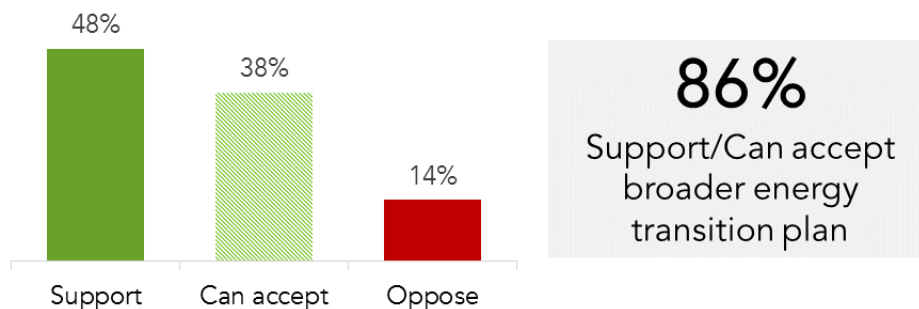


BROADER ENERGY TRANSITION PLAN

We then asked how people would feel about a plan to *"shift Canada's energy use over the coming decades, including incentives to promote cleaner transportation and buildings, and pricing carbon to encourage a shift towards greater use of cleaner energy."*

- 86% support or can accept a plan along these lines, including majorities in every region of the country, including substantial majorities in the Prairies and across party lines.

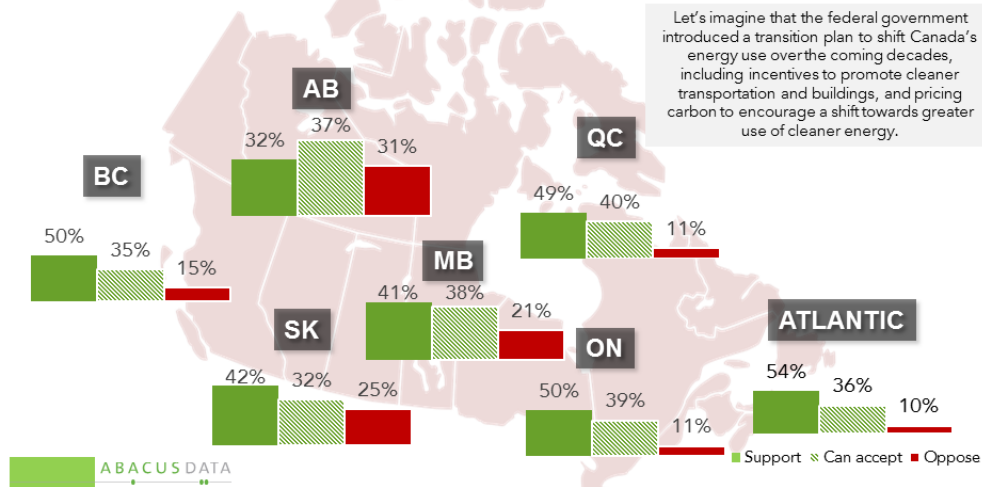
REACTION TO ENERGY USE TRANSITION PLAN



Let's imagine that the federal government introduced a transition plan to shift Canada's energy use over the coming decades, including incentives to promote cleaner transportation and buildings, and pricing carbon to encourage a shift towards greater use of cleaner energy.

Do strongly support, support, can accept, oppose or strongly oppose a plan like this?

REACTION TO ENERGY USE TRANSITION PLAN

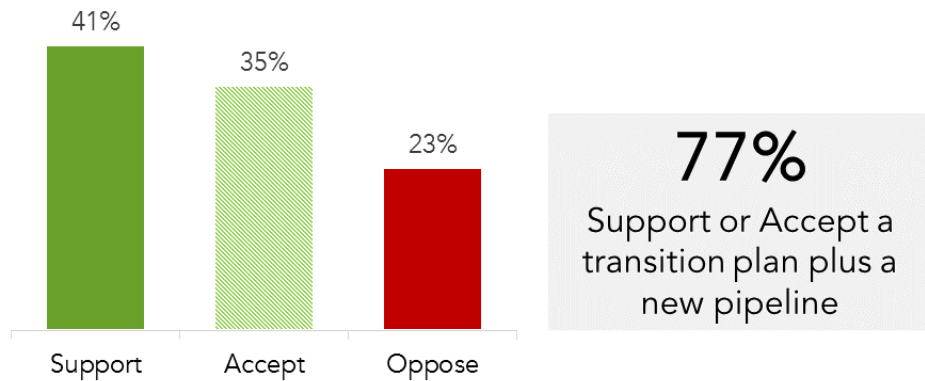


BROADER ENERGY TRANSITION PLAN PLUS A PIPELINE

We then asked, *"let's imagine that while putting in place these measures to encourage a shift to renewable energy, the federal government also approved a new pipeline to get Canada's oil and gas to new markets, would you strongly support, support, accept, oppose, or strongly oppose such a decision?"*:

- Three out of four (76%) would support (41%) or accept (35%) this decision.
- Majorities in every region support or could accept this approach, including a striking 92% in Alberta and 83% in Saskatchewan, and the very large majority of Conservative voters (87%). A majority (62%) of NDP voters would go along with this decision.

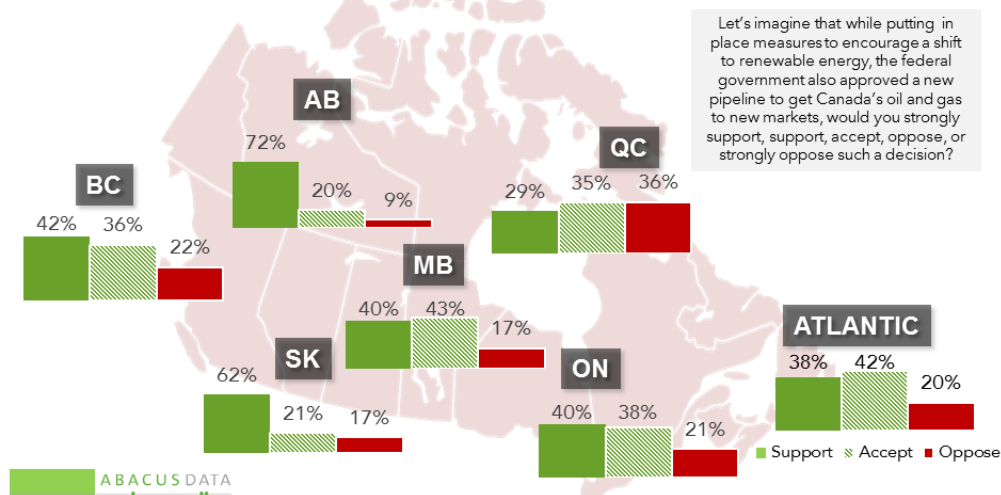
TRANSITION PLAN PLUS A PIPELINE



Let's imagine that while putting in place these measures to encourage a shift to renewable energy, the federal government also approved a new pipeline to get Canada's oil and gas to new markets, would you strongly support, support, accept, oppose, or strongly oppose such a decision?

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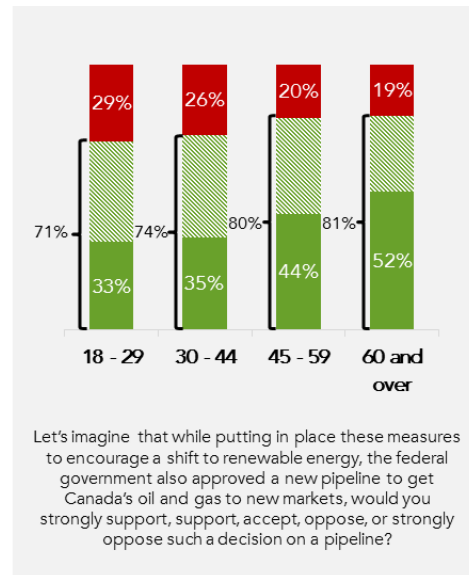
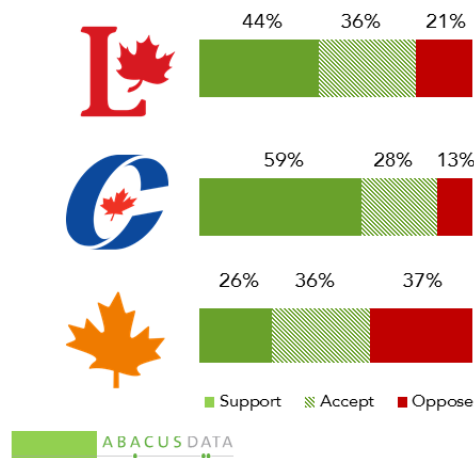
PIPELINE AND SHIFT TO RENEWABLES



Let's imagine that while putting in place measures to encourage a shift to renewable energy, the federal government also approved a new pipeline to get Canada's oil and gas to new markets, would you strongly support, support, accept, oppose, or strongly oppose such a decision?

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PIPELINE AND SHIFT TO RENEWABLES

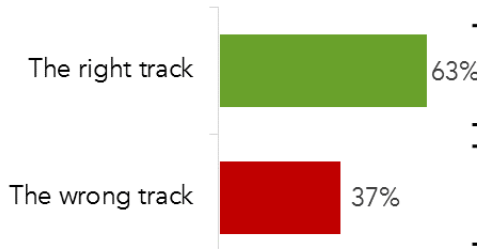


A closer look at the interaction of different policy measures shows that:

- Among those who think the federal government is on the right track on energy and climate, 23% would shift oppose a policy mix that includes a pipeline.
- Among those who say the federal government is on the wrong track, 48% say they would become supportive of a policy mix that includes a pipeline.
- Among those think the national carbon price is a good idea, 23% say they would shift to oppose a policy mix that included a pipeline.
- Among those who think the national carbon price is a bad idea, 52% say they would shift to support a policy mix that includes a pipeline.

FINDING CONSENSUS ON REDUCING EMISSIONS

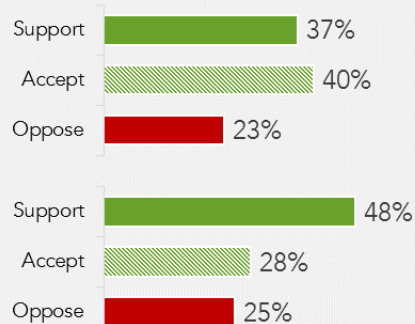
Ottawa's Approach to Reducing Carbon Emissions



As you may have heard, the Prime Minister has indicated that he wants to make a number of policy changes that will help Canada reduce carbon emissions and help fight climate change.

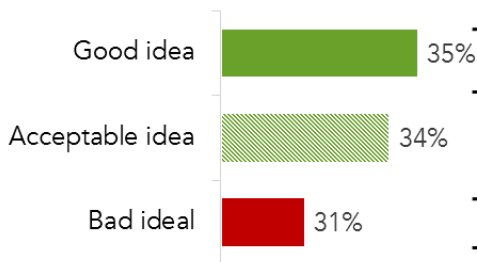
Based on what you have seen, read or heard about the approach he is taking would you say he is on the right track or the wrong track?

If the government also approved a pipeline



Let's imagine that while putting in place these measures to encourage a shift to renewable energy, the federal government also approved a new pipeline to get Canada's oil and gas to new markets, would you...

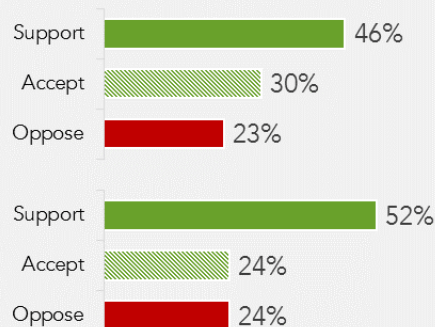
View on PM's Carbon Price



As you may have heard, the Prime Minister has announced that he will introduce a national price on carbon by 2018 which will increase over 5 years. The revenues will go back to the provinces where the taxes are paid and the national tax would only apply in provinces where there isn't already a similar policy in place.

Overall how do you feel about the approach the Prime Minister is taking on this issue. Would you say that he is taking a very good, good, acceptable, bad or very bad approach?

If the government also approved a pipeline



Let's imagine that while putting in place these measures to encourage a shift to renewable energy, the federal government also approved a new pipeline to get Canada's oil and gas to new markets, would you...

THE UPSHOT

According to Bruce Anderson:

"Few things are more politically charged in Canada these days than the mixture of policies the federal government may embrace to combat climate change and to support economic activity in the oil and gas sector.

So far, Ottawa is holding a relatively broad measure of support for its policy approach, including the introduction of a floor price for carbon emissions. However, voters in Alberta and Saskatchewan are clearly outside this consensus.

Going forward, the numbers suggest there is a path to creating more comprehensive national support, with a blend of carbon pricing, incentives to promote a shift in energy use, and adding pipeline capacity to get Canada's oil to markets while a shift towards more renewable energy is underway.

While different elements of such a policy mix would likely attract criticism from different quarters, if the question is whether it is possible to carry a majority of support in every region of the country, taking into account competing interests and visions, the evidence is that this is in fact possible, in theory at any rate."

METHODOLOGY

Our survey was conducted online with 1,500 Canadians aged 18 and over from October 7 to 12, 2016. A random sample of panelists was invited to complete the survey from a large representative panel of over 500,000 Canadians.

The Marketing Research and Intelligence Association policy limits statements about margins of sampling error for most online surveys. The margin of error for a comparable probability-based random sample of 2,010 is +/- 2.6%, 19 times out of 20.

The data were weighted according to census data to ensure that the sample matched Canada's population according to age, gender, educational attainment, and region. Totals may not add up to 100 due to rounding.

ABACUS DATA INC.

We offer global research capacity with a strong focus on customer service, attention to detail and value-added insight. Our team combines the experience of our Chairman Bruce Anderson, one of Canada's leading research executives for two decades, with the energy, creativity and research expertise of CEO David Coletto, Ph.D.

For more information, visit our website at <http://www.abacusdata.ca/>