



Natural Resources Canada Ressources naturelles
Canada Canada

Natural Resource Issues in a Low-Carbon Economy

Executive Summary

Prepared for Natural Resources Canada

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Canada 

Natural Resources in a Low-carbon Economy
Final report

Prepared for Natural Resources Canada by Environics Research

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Executive summary

A. Background and objectives

Canada is one of the world's leading producers of natural resources and is also one of the highest per capita users of energy. The priorities of the Natural Resources Canada (NRCan) are:

- natural resource science and risk mitigation;
- innovative and sustainable natural resource development
- globally competitive natural resource sectors

This new edition of the *Natural Resource Issues in a Low-carbon Economy* public opinion research project will provide a fresh understanding of how Canadians situate traditional natural resource sectors and what they understand about the challenges and opportunities for these sectors in moving toward a low-carbon economy, building on what we learned from previous years' research.

NRCan commissioned Environics Research to conduct qualitative and quantitative research. This research was designed to provide a clear and current understanding of Canadian public opinion on a wide-range of natural resource issues related to forests, mining, energy (including energy efficiency), clean technology, climate change and government science.

B. Methodology

Qualitative phase

A series of twenty online focus groups was conducted between October 19 and November 4, 2020. Focus groups were held using online conference technology with residents of Toronto, Calgary, Vancouver, Fredericton, Kitimat, Pincher Creek, Pickering and Amherst (two groups per location in English) and Montreal and Baie-Comeau (two groups per location in French). The participants in these focus groups were segmented by household income – one group in each city was composed of Canadians with lower household incomes and the second group was composed of Canadians with higher household incomes. Across all groups, 160 participants were recruited and 125 attended. Participants received a \$100 honorarium. Focus group sessions were about 90 minutes in duration.

In this report, regional differences are highlighted according to the following breakdowns:

- Large cities include: Vancouver, Calgary, Toronto, Pickering, Montreal, and Fredericton
- Smaller or rural communities include: Kitimat, Pincher Creek, Baie-Comeau, and Amherst
- **Statement of limitations:** Qualitative research provides insight into the range of opinions held within a population, rather than the weights of the opinions held, as would be measured in a quantitative study. The results of this type of research should be viewed as indicative rather than projectable to the population.

Quantitative phase

EnviroNics Research conducted an online survey with 3,457 Canadians aged 18 and over, from December 17, 2020 to January 5, 2021. Quotas were set by age, gender, and region and the final data were weighted to ensure the sample is representative of the Canadian population, according to the most recent Census. Survey respondents were selected from registered members of an opt-in online panel. Since a sample drawn from an online panel is not a random probability sample, no formal estimates of sampling error can be calculated. Nonetheless, online surveys can be used for general population surveys provided they are well designed and employ a large, well-maintained panel.

More information about the methodology for research is included in Appendices A and B of the full report.

C. Contract value

The contract value was \$168,430.57 (HST included).

D. Key findings

A. Qualitative research

- Focus group participants were somewhat familiar with the term “low-carbon economy” overall. Those who were unfamiliar with the term understood the concept when it was described to them. Participants’ understanding of a low-carbon economy tended to revolve around decreased reliance on fossil fuel and a shift to “green,” “clean,” or “environmentally friendly” sources of energy. Most, especially those in large urban cities, with the exception of Calgary, saw this is a necessary and positive initiative to address climate change, while others expressed concerns about its impacts to jobs and the economy. Some suggested a shift to a low-carbon economy was already underway.
- Few had heard the term “net-zero by 2050”. When provided with more information, some participants felt the goal was achievable, while others raised concerns about economic impacts, consumer costs as well as Canada’s ability to substantially impact global carbon emissions. Several participants felt they needed more information about the 2050 goal in order to form an opinion. Participants also frequently raised other environmental issues they felt were equally or more important than carbon emissions.
- Most could not say what, if any, impact a low-carbon economy might have on them personally. Most anticipated an increased cost of living and increased travel costs, which some predicted would mean less travel. Some noted the higher cost of electric vehicles and renewable energy technologies such as solar and questioned the affordability, reliability, or return on investment of these technologies. Some said they did not feel their personal actions had a considerable impact on carbon emissions.
- Most participants could not see how a low-carbon economy would impact their workplaces, with some suggesting many industries were doing everything they could to lower carbon emissions. Impacts were most often associated with the oil and gas industry or industries that relied on fossil fuels in their operations, such as the transportation industry. Some expressed concern for increased costs and the impacts of these on the Canadian economy.

- When asked about the impact of a shift to a low-carbon economy on the Canadian economy, participants were split on whether this could be an opportunity to lead the world in developing a strong, modernized economy based on new technology sectors or that it could precipitate an economic downturn for Canada. Specific concerns included an increased cost of living, job losses and increased costs for imports and exports, with a couple wondering if more industries may choose to leave Canada. Several participants suggested that, with the cost of living a concern already, there is little room or appetite for people to absorb even more expense for everyday goods and services.
- Group participants were asked what actions they had taken to reduce their carbon footprint. Many said they had generally tried to lower their energy consumption by lowering thermostats, installing energy efficient lighting and turning off lights. Those that owned their properties mentioned replacing insulation, windows and doors, and heating and cooling systems. Some expressed appreciation for government subsidy and rebate programs that made it possible to increase the energy efficiency of their homes. Many who had performed energy retrofits on their homes cited cost savings as the primary motivation.
- While a number of participants said they had reduced their use of personal vehicles, others said they had purchased more fuel efficient vehicles. A small number of participants said they had purchased hybrid or electric vehicles, while some said electric or hybrid vehicles would be under strong consideration for their next vehicle purchase.
- Some participants said they had contributed fewer emissions through recycling, buying products with less packaging, buying products that are made locally or in Canada, eating less meat, and growing food at home.
- When considering the impact of a low-carbon economy on communities, most noted potential changes to public, commercial and industrial transportation and the potential for the electrification of these fleets. Those in rural communities were less convinced that their communities could reduce carbon emissions. There was some discussion around improved recycling, encouragement to buy local, and community-specific information to help residents lower their carbon emissions. Regulations to reduce carbon-emissions and incentives were also noted. A number of participants also said they felt their communities and local industries had already contributed significantly towards lowering carbon emissions.
- In terms of specific energy resource industries, participants had difficulty reconciling oil, nuclear, and forest biomass with a low-carbon economy. The view that oil has a place in a low-carbon economy is hampered by its strong association with carbon emissions; moreover, there is skepticism that Canada will shift away from oil because of its importance as an economic driver. For nuclear, participants found it difficult to overcome their safety concerns, despite acknowledging that the lack of carbon emissions makes nuclear a natural fit to achieve a low-carbon economy. There was limited knowledge of forest biomass, but when it was described, participants tended to focus on how trees would be cut down, often producing negative emotional reactions. Similarly, there was low awareness and understanding of carbon capture and storage. As a result, participants focused on the unknown risks associated with storing carbon underground, rather than on the potential for this technology.

- Participants were more positive toward hydroelectricity, natural gas, and alternative fuels like biodiesel, ethanol, and hydrogen and their potential role in a low-carbon economy. Nonetheless, they noted drawbacks, including concerns about the environmental impacts of hydroelectricity and natural gas extraction, and about depleting the land by growing crops to produce biodiesel or ethanol.
- There were mixed views about the role of mineral mining in a low-carbon economy. Although initial impressions were generally negative, with some mentioning environmental disturbance, pollution of soil and water, and threats to remote and Indigenous communities, sentiment tended to shift more positively when participants considered the value of critical minerals and metals in alternative energy technologies. Some indicated that mining is a good source of jobs and economic growth and can provide an important contribution to a low-carbon shift. Participants also mentioned issues such as environmental disturbance, pollution of soil and water, and threats to remote and Indigenous communities.
- Participants suggested that the Government of Canada use clear and positive communication to help Canadians understand the implications of climate change, the importance of a low-carbon economy, and what more individuals can do to effect change.
- Many cited a desire for more information on actions to date, the results of these and specific plans for the future, with some suggesting a need for return on investment analysis. Financial incentives are also seen as a critical aspect in motivating and supporting Canadians in the transition. Other suggestions for messaging aimed at Canadians included highlighting the potential consequences of inaction, emphasizing the need to build a better world for future generations.
- Some participants took this opportunity to suggest that industry has a critical role to play in reducing carbon emissions, as a major source of emissions and an entity that stands to be broadly impacted by the shift to a low-carbon economy. Some suggested that the federal government should work together with other levels of government and industry to find feasible solutions.
- Some participants wanted to see a broader objective that included environmental impacts and focused on reducing product as well as energy consumption and more recycling.

B. Quantitative research

- When asked to name the single biggest issue facing natural resources, Canadians' most top-of-mind concerns are ensuring Canada has enough resources for future generations (18%) and pollution from resource extraction (17%), the latter of which increased since 2018/19 (up 9 points). In turn, fewer than before mention the need for pipeline approvals or construction (2%, down 6 points) (this survey took place before the new US administration cancelled the Keystone XL pipeline).
- Fewer Canadians rate the federal government's performance as good compared to 2018/19 on promoting the economic growth of natural resource industries (31% vs. 35%), investing in clean energy and clean technology (29% vs. 35%) and making sure natural resources are developed in a way that respects the environment (29% vs 37%). More Canadians rate the federal government's performance as poor as opposed to good on implementing a plan to get Canada to net-zero emissions (37% vs 25%) and striking a balance between environmental and economic considerations (37% vs 24%).

- Eight in ten are at least somewhat concerned about the price they pay for energy (80%) and the impact of the energy industry on the environment (80%), although fewer than four in ten are very concerned in either case (39% and 35% respectively). Compared to 2018/19, this marks a slight decrease in concern about the price of energy (down 3 points) but an increase in concern about the environmental impact (up 6 points). Canadians are less concerned about the future of the energy job market in comparison, although 57 percent are at least somewhat concerned about this, with Quebec (41%) expressing the lowest concern. The exception is in Alberta and Saskatchewan, where energy jobs (76% and 82% respectively) are of greater concern than is the environmental impact of the energy industry (64% and 69% respectively).
- A large majority of Canadians agree solar (91%), wind (87%), and hydroelectric dams (76%) are environmentally friendly. Just over half of Canadians agree that natural gas (58%) and hydrogen fuel (57%) are environmentally friendly. Canadians are less convinced about nuclear energy (43%) or biodiesel fuel (42%), with almost as many disagreeing that nuclear energy (45%) and biodiesel fuel (40%) are environmentally friendly. Fewer than one in four Canadians consider oil, whether derived from offshore (23%) or the oil sands (19%) as environmentally friendly.
- Canadians generally recognize that natural resource extraction plays a critical role in Canada's economy. This is indicated through their majority-level agreement that the Trans Mountain pipeline expansion will create economic opportunities and good quality jobs (70%), agreement that critical minerals and metals mining is essential to Canada's economy (77%) and a source of good quality jobs (73%), as well as the strong sense that forests are a source of wealth for Canadians (90%). Fewer, however agree that Canada uses innovative technology to reduce the impact of mining on the environment (49%), or that Canada protects its forests with science-based management practices (60%).
- Validating the findings of the focus group research, more than half of Canadians say they are at least somewhat familiar with net-zero greenhouse gas emissions (61%), a low-carbon economy (56%) and the Paris Agreement on Climate Change (54%), but only one in ten are *very familiar* with any of these topics.
- Canadians are optimistic that the transition to a low-carbon economy will create good quality jobs (62% agree) and benefit Indigenous communities (50%) and communities that depend upon carbon-intensive industries (50%). Moreover, they consider it important for the federal government to support initiatives to ease the transition, including helping carbon-dependent communities develop more diverse economies (83%) and funding skill development for individuals (82%).
- In terms of building support for the transition to a low-carbon economy, Canadians believe the most compelling arguments are leaving a clean environment for the next generation (51%), ensuring Canada is energy self-sufficient (49%), to avoid the consequences of climate change (48%) and improving the health of Canadians through cleaner air (45%). Fewer felt messages about job creation (26%) or the economic benefit of being a world leader in emerging industries (21%) were very strong arguments.
- Canadians also believe the solution to greenhouse gas emissions needs to come from industry over individuals. Canadians believe shifting industrial and commercial heating processes (79%) and vehicles (78%) would have more impact on climate change (significant or moderate) than shifting personal vehicles (72%) or heating processes (68%) to electricity or other low-carbon fuels. Similarly, Canadians

feel that increasing the energy efficiency of industrial and commercial buildings (84%) would have more significant or moderate impact on climate change than increasing the energy efficiency of multi-family apartments or condominiums (73%) or single-family homes (67%). This aligns with the focus group findings, which suggest that Canadians often feel they have done what they can to reduce their own personal greenhouse gas emissions and that industry needs to play a bigger role if progress is to be achieved.

- Regional differences are evident in perceptions of Canada's natural resource industries. While concerns about natural resource conservation and pollution are top-of-mind for Canadians in all regions, these topics are relatively less prominent in Alberta and Saskatchewan. Throughout the survey, residents of these two regions consistently express viewpoints that reflect the economic importance of the oil and gas sector in their region. The survey also indicates that attitudes vary along demographic lines, with men, older Canadians (55+), and those with high school or college education expressing relatively less concern about the environment and climate change, and relatively more concern about potential impacts to natural resource industries and the jobs they create.

E. Political neutrality statement and contact information

I hereby certify as senior officer of Environics that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Communications Policy of the Government of Canada, and Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leaders.

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