



RIO +12

THE TWELFTH ANNUAL RIO (REPORT ON INTERNATIONAL OBLIGATIONS) REPORT CARD, 2004

Grading the Government of Canada and the Provinces on Environmental Commitments

Sierra Club of Canada
412-1 Nicholas St.
Ottawa, Ontario, K1N 7B7
E-mail: info@sierraclub.ca
Website: www.sierraclub.ca/national/rio
Tel: 1-888-810-4204
Fax: 613-241-2292

ACKNOWLEDGEMENTS

The RIO Report Card is coordinated by the Sierra Club of Canada as a continuation of the Rio Watch Process, launched in June 1992. For over twelve years we have collaborated with other environment and development groups across Canada in researching, writing and grading the performance of the federal, provincial and territorial governments.

For the production of the 2004 RIO Report Card we wish to express our appreciation and indebtedness to the following groups: the Sierra Club of Canada Chapters (British Columbia, Prairie, Ontario, Atlantic Canada and the Sierra Youth Coalition, and especially the Chinook Group, the Cape Breton Group and Yukon campaign), Canadian Nature Federation, World Wildlife Fund (Nunavut), Yukon Conservation Society, Canadian Parks and Wilderness Society, Canadian Council for International Cooperation, Protected Areas Association of Newfoundland and Labrador, and the Conservation Council of New Brunswick.

The opinions expressed are those of the Sierra Club of Canada, as are any errors.

This document is available to be copied and distributed without permission, but with acknowledgement. All twelve years of the RIO Report Card can be found on the Sierra Club of Canada website at www.sierraclub.ca/national/rio

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	2
INTRODUCTION	5
FEDERAL GRADES	6
PROVINCIAL GRADES	7
REPORT ON THE FEDERAL GOVERNMENT OF CANADA	8
Commitment to Increase Overseas Development Assistance to 0.7% of GDP	8
Commitment to Reduce Greenhouse Gases	10
June 2003 – December 2003:	10
December 2003 - June 2004:	11
Federal Commitment to Biodiversity	13
Species at Risk	13
Protected Areas	15
Commitment to Review and Reform Pesticide and Toxic Policies	16
Commitment to Environmental Assessment	18
Agenda 21 Commitment to Make Trade and Environment Mutually Supportive	20
Commitment to the Conservation and Sustainable Use of Living Marine Resources	22
Forests	25
PROVINCIAL GRADES	26
Newfoundland and Labrador	26
Biodiversity	26
Protected Areas	26
Species at Risk	27
Forests	28
Climate Change	28
Nova Scotia	29
Biodiversity	29
Toxic Chemicals/Pollution	31
Climate Change	32
Prince Edward Island	33
Biodiversity	33
Climate Change	34
New Brunswick	35
Biodiversity	35
Toxic Chemicals/Pollution	36
Climate Change	36
Quebec	38
Biodiversity	38
Climate Change	39
Ontario	40
Biodiversity	40
Climate Change	42
Manitoba	43
Biodiversity	43
Climate Change	45
Saskatchewan	47
Biodiversity	47

Endangered Species	48
Protected Areas	48
Forests	49
Climate Change	50
Alberta	51
Biodiversity	51
Climate Change	52
British Columbia	53
Biodiversity	53
Climate Change	57
Northwest Territories	58
Biodiversity	58
Climate Change	60
Yukon	62
Biodiversity	62
Climate Change	63
Nunavut	64
Biodiversity	64
Climate Change	64

INTRODUCTION

Sierra Club of Canada has been researching, writing and producing the Rio Report Card every year since 1993, marking the first anniversary of the Earth Summit in Rio de Janeiro, and every anniversary since. At the anniversary date this year, the country was in the midst of a federal election. Sierra Club of Canada's RIO team decided to postpone the release until the fall, just before Parliament resumes. The 2004 RIO Report Card, although released in September, still covers June 2003-June 2004.

This year's report card process is complicated at the federal level by grading two periods of relative inactivity: the last six months of the Chrétien government and the first six months of the Martin government. Both periods were dominated by the policy paralysis that occurs when a significant change is in the offing. The Chrétien government was preparing to leave. Civil servants were busy preparing briefing books for new political masters. After December 12 and the swearing in of the first Cabinet of Prime Minister Paul Martin, there was a lag time to brief ministers, followed by an immediate pre-election hiatus. In many areas it is hard to judge federal progress where there has been very little. Early in the cycle for new governments, the RIO grading team will give the benefit of the doubt based on intentions. Failure to deliver on commitments in subsequent years will be harshly graded. Promises only receive good marks early in a governmental cycle.

The report card, now in its twelfth year, continues under the name RIO, as an acronym and not a city. R.I.O. stands for "Report on International Obligations." We continue to measure progress on environment and development commitments, whether reached in Rio, Kyoto, Johannesburg or Stockholm.

FEDERAL GRADES

Subject	Grade
Commitment to Increase Overseas Development Assistance to 0.7% of GDP	C+
Commitment to Reduce Greenhouse Gases	B for Chrétien's last 6 months
	incomplete for Martin's first 6 months
Federal Commitment to Biodiversity	D
Commitment to Review and Reform Pesticide and Toxic Policies	D
Commitment to Environmental Assessment	C+
Agenda 21 Commitment to Make Trade and Environment Mutually Supportive	F
Commitment to the Conservation and Sustainable Use of Living Marine Resources	D
Forests	C

PROVINCIAL GRADES

Province/Territory	Subject	Grade
Newfoundland and Labrador	Biodiversity	B-
	Climate Change	C-
Nova Scotia	Biodiversity	D+
	Toxic Chemicals/Pollution	F
	Climate Change	C-
Prince Edward Island	Biodiversity	B-
	Climate Change	A-
New Brunswick	Biodiversity	C+
	Toxic Chemicals/Pollution	F
	Climate Change	C
Quebec	Biodiversity	B
	Climate Change	B+
Ontario	Biodiversity	B
	Climate Change	D+
Manitoba	Biodiversity	C-
	Climate Change	B-
Saskatchewan	Biodiversity	D-
	Climate Change	C
Alberta	Biodiversity	F
	Climate Change	F
British Columbia	Biodiversity	D-
	Climate Change	F
Northwest Territories	Biodiversity	B
	Climate Change	F
Yukon	Biodiversity	D-
	Climate Change	B-
Nunavut	Biodiversity	D-
	Climate Change	C-

REPORT ON THE FEDERAL GOVERNMENT OF CANADA

JUNE 2003 - JUNE 2004

Commitment to Increase Overseas Development Assistance to 0.7% of GDP

2004 Grade: C+

2003 Grade: B-
2002 Grade: C+
2001 Grade: D
2000 Grade: D+
1999 Grade: D
1998 Grade: D
1997 Grade: F
1996 Grade: F
1995 Grade: F
1994 Grade: B
1993 Grade: F

In 1992 at the Rio Earth Summit, Canada committed to increasing overseas development assistance (ODA) (aid) to 0.7% of our GDP. This commitment represented a recycling of the same promise made by Prime Minister Lester B. Pearson. At the time, Canadian ODA stood at 0.45% of GDP. In the “programme review,” deficit cutting era of the Chrétien Liberals, ODA dropped to less than 0.25% of GDP.

The Martin Government missed an opportunity to take a leadership role on the international stage in the March 2004 Federal Budget. Finance Minister Ralph Goodale sustained the already announced commitment of 8% growth in aid for 2004/05 and 2005/06 as well as the G-8 Kananaskis commitment to devote half of the increased aid resources to Africa. This will amount to an additional \$115 million in 2004-05 and \$124 million in 2005-06 for Africa.

The umbrella organization for development NGOs in Canada, the Canadian Council for International Cooperation (CCIC), calculates that Canada’s aid performance for 2004/05 and 2005/06 will remain at levels less than 0.30% of Gross National Income (GNI), at approximately 0.28% for both years, a long way from the UN target of 0.7%. In the latest

statistics from the OECD Development Assistance Committee for 2003, Canada's performance, ranking 13th, remains in the middle of 22 donor countries.

But these new resources, while welcome, are insufficient to meet Canada's international obligations to contribute our fair share in achieving the Millennium Development Goals (MDGs). CCIC is seeking a commitment in the International Policy Review this fall to plan for Canadian aid increases of 12% to 15% per year to 2015. Only this level of funding will meet Canada's fair share of resources for the MDGs and will realize the long-standing UN target of 0.7% of Gross National Income by 2015.

The March budget confirmed some worrying trends that Canadian aid allocations will be led by foreign policy and Canadian security considerations rather than the goal of ending poverty. Between 2002 and 2008, the government has made \$916 million in aid commitments to Afghanistan and Iraq. By comparison, half of the annual aid increases in the same period to be devoted to Africa, a continent where poverty is increasing, will amount to approximately \$1.2 billion.

One plus in the record of the new Martin government was the introduction of Bill C-9, a bill to provide less expensive drugs to developing countries. The HIV-AIDs crisis in Africa has been a major driver of this bill. It demonstrates international leadership, but still has a number of flaws. In particular, development and church groups argued the bill should not contain a list of which drugs were covered as overly restrictive and prescriptive.

It will take more than Bono's friendship to bring up these grades. The 2005 budget will be critical.

Commitment to Reduce Greenhouse Gases

**2004 Grade: B for Chrétien's last six months
incomplete for Martin's first six months**

2003 Grade: A (for ratification)
incomplete (for implementation)
2002 Grade: B
2001 Grade: D
2000 Grade: C
1999 Grade: incomplete
1998 Grade: incomplete
1997 Grade: F
1996 Grade: D-
1995 Grade: D+
1994 Grade: C+
1993 Grade: A (for ratification)
D (for implementation)

Of all the subjects reviewed in the Rio Report Card process, progress toward Kyoto goals and meeting Climate Change commitments from 1992 require a separate analysis of the two different federal government's in this period.

June 2003 – December 2003:

Following the December 2002 ratification of the Kyoto Protocol, the federal government needed to build momentum as soon as possible. The Chrétien Government tried to hit the ground running with its Kyoto implementation plan last summer. In August 2003, it announced a series of funding announcements. While a respectable start, one can only say they hit the ground walking.

The most laudable announcement was the EnerGuide Home Retrofit Incentive, which provides assistance to Canadians seeking to retrofit their homes. Following the announcement, requests for home energy audits in Canada tripled compared to the same period in 2002. Canadians are ready to do their part to fight climate change and the federal government should have no problem of reaching its target of retrofitting 20% of housing by 2010 if it ensures sufficient funding to provide limited support.

Thanks to pressure from the rural caucus of the Liberal Party, the federal government also announced it would spend approximately \$100 million to build a Canadian ethanol industry. This target could have been met much more cheaply by simply setting a regulation on ethanol blending for gasoline. Moreover, the greenhouse gas benefits of ethanol from corn sources are marginal. Life-cycle analysis of the carbon intensity of growing the corn demonstrates that corn ethanol is not a cost-effective choice to reduce greenhouse gases. It is primarily a subsidy to agriculture. The real winner in GHG reductions is cellulose ethanol. The cellulose ethanol process perfected by Ottawa company, Iogen, would also benefit the prairie region but would rely on straw and natural grasses. It has received funding for research and development from the government but still awaits the boost to develop a full-scale commercial facility.

December 2003 - June 2004:

To Prime Minister Paul Martin's credit, his Kyoto commitment remained intact in the February 2004 Speech from the Throne. Nevertheless, precious time in moving to implementation has been lost in the period of pre-election readiness and the federal election. No new programmes have been announced. Some elements of the Chrétien Kyoto Plan were put on hold. Other priorities of the Martin government are clearly complementary. The Cities Agenda, investments in innovative environmental technologies and the commitment to wind power can be important parts of an overall Kyoto strategy, but the Martin Kyoto strategy does not yet exist.

Through the June election campaign, Martin sharpened his tone and message urging Canadians to protect Kyoto by voting Liberal. Liberal Party television ads were pumped out with an environmental theme and a specific Kyoto reference. With 82% of Canadians supporting Kyoto, the pitch may have helped the Liberals hang on to power. There is a grace period for environmental critics following the political upheavals since December 2003. But the Kyoto timeline is firm. Canada can meet its Kyoto targets, but not without serious attention from the federal government in the next six months. Our advice is that the present programs are under-funded, under-staffed and under-ambitious.

The new Parliament must be presented with a legislative agenda that:

- legislates declaring greenhouse gas pollutants;
- legislates the Large Final Emitter Strategy that has been negotiated with industry;
- adopts California car regulations;
- expands home retrofit programmes to schools, hospitals, municipal buildings, places of worship, and universities; and
- remove the limitations from the Wind production incentives so all wind turbines built anywhere in Canada qualifies.

If the Martin government wants to build the momentum to get us to 2010 and beyond, it must set out long-term reduction targets, giving Canadian business and investors a clear long-term policy framework in which to plan and innovate. Prime Minister Martin speaks of wanting to build the economy for Canada in the Twenty-first Century. Setting long term goals for energy efficiency and 50 % cuts to greenhouse gas emissions is a critical element to stimulating innovation to get there.

Aside from new Environment Minister Stéphane Dion's statement that implementing California type regulations to reduce greenhouse gas emissions would be one of his "priorities," we have heard little good news from the government.

The biggest lesson from the past year is that the federal Liberals have failed to learn the most basic skills of governance – that is, governments make laws and regulations. So far, much of the government's action has amounted to advertising campaigns that plaster the Maple leaf everywhere. Governments are not simply advertising firms (we especially hope that the Liberals learned this in 2004).

While Kyoto naysayers continue to insist that the federal government has no Kyoto plan, the biggest stumbling block to meeting Kyoto is effective plan management. No high level minister or senior bureaucrat is responsible for ensuring that Kyoto is met, leaving various ministries and bureaucrats to procrastinate and squabble over their own priorities.

The federal government will get an “A” next year if it simply passes legislation to reduce greenhouse gas emissions from vehicles, regulates energy efficiency in appliances and passes the Large Final Emitters legislation.

Federal Commitment to Biodiversity

2004 Grade: D

2003 Grade: B+

2002 Grade: D+

2001 Grade: D

2000 Grade: F

1999 Grade: D-

1998 Grade: F

1997 Grade: D-

1996 Grade: D

1995 Grade: C

1994 Grade: D

1993 Grade: A (for ratification)

C (for implementation)

Since 1993, and our first RIO Report Card, the federal government has been graded toward progress in upholding the U.N. Convention for the Protection of Biodiversity. Two indicators in protecting biodiversity have been used: progress in completing the national park system, and work to protect species at risk in Canada.

Species at Risk

The Species at Risk Act (SARA), which passed the House and the Senate last year, left the starting gates and has all but turned around to limp back in. The federal government has sought loopholes and exploited them fully to delay the mechanics of the Act, and balked at its first test to live up to its commitment to step into provincial jurisdiction where provinces are failing to adequately protect species at risk. The initial government actions and inaction paint a very unpromising picture for the future of species at risk across Canada.

In April 2004, the federal government announced that it was delaying the listing of 12 aquatic species by an additional **9 months**, citing the need for 'extended consultation.' The government already allows for extensive consultation in the recovery and action plan stages of the Act. This additional delay in process, which the government is intending to formalize in its flow charts, is a slap in the face to science. A scientific advisory panel called Committee on the Status of Endangered Wildlife in Canada (COSEWIC) has existed since 1977 to determine species' status. Either a species is endangered, or it's not -- talking to fishermen about the socioeconomic impacts of protecting a whale of which there are less than three-hundred left won't make it any more abundant. Consultations on the matter were really introduced to stall the enforcement of prohibitions that will affect commercial fishery operations and oil and gas testing.

The federal government denied its first request, made by COSEWIC, to grant emergency listing to two species in dire need of protection -- the Cultus Lake and Sakinaw Lake Sockeye Salmon. Alarmingly, only three adult Sakinaw salmon were determined to have returned to their spawning grounds last year -- if this species does not warrant an emergency listing under SARA, it is hard to imagine what could.

Most disturbingly, perhaps, the federal government this year rebuked calls for it to do what it claims it is prepared to do to protect endangered species in Canada: use the 'safety net' to step into provincial jurisdiction when a province is failing to adequately protect a species. Section 80 of SARA enables the Minister to recommend an emergency order to protect a species and its habitat if he/she is of the opinion that a species faces imminent threats to its survival. A petition seeking the emergency order for the Spotted Owl was submitted to the Minister of Environment in February 2004. The Spotted Owl is the most endangered bird in Canada, with current counts at less than 30 documented birds. The primary cause of Spotted Owl decline is logging in its old growth forest habitat -- logging that the government of British Columbia still approves, even as the Spotted Owl circles the drain towards extinction.

Minister of Environment David Anderson responded to the petition, which was filed by the Sierra Legal Defence Fund on behalf of the Sierra Club of Canada, Forest Ethics, Western Canada Wilderness Committee and the David Suzuki Foundation, by assuring the petitioners

that the federal government was waiting to see if British Columbia would step up to the plate, and that if BC did not do so 'soon', an intervention would be made.

The Sierra Club of Canada now awaits direction from the new Minister of Environment, Stéphane Dion, on the file. If he and his department are truly committed to saving endangered species, they will have to summon up the muscle to step in when provinces are so blatantly disregarding their obligation to protect species, as is the case currently in British Columbia and, sadly, in many other provinces in Canada.

Protected Areas

A number of parks were actually created which had been previously announced. In August 2003, federal and territorial action finalized a park announced by former Prime Minister Jean Chrétien in Johannesburg in 2002. The Ukkusiksalik National Park (Wager Bay) was established in Nunavut in 2003, protecting 20,000 square kilometres. Also in the summer of 2003, a memorandum of understanding (MOU) to expand Nahanni National Park Reserve was signed between Parks Canada and the Deh Cho First Nations. A Nahanni Expansion Working Group has since been formed to oversee the implementation of the memorandum of understanding (MOU).

In March, 2004, a second MOU was signed to move the Manitoba Lowlands National Park closer to completion in the Interlake region of Manitoba. One of the longest-promised Marine Protected Areas, the Gully off the south coast of Nova Scotia was legally protected within the last week of former Prime Minister Chrétien's government, in December 2003.

Gulf Islands National Park in the Georgia Strait was announced in May 2003. There is now some interest in local communities in moving forward with the proposed national park on the East Arm of Great Slave Lake in NWT; there has been no progress on the Torngat Mountains and a tentative agreement has been reached on the location of a road between Cartwright and Happy Valley - Goose Bay in the vicinity of the proposed Mealy Mountains national park in Labrador. This agreement helps to protect the integrity of the park because

the road will now skirt the park whereas previously it would have bisected it. No significant progress to report on the Northern Bathurst Island in Nunavut.

There is also no progress in south eastern BC on the proposed national park in the Flathead to join with Glacier National Park in the US and Waterton Lakes National Park in Canada. Nor is there progress visible on the promised creation of a National Park to protect the severely endangered species and ecosystem of the South Okanagan.

A significant improvement to the governance of national parks was made in December 2003 when Prime Minister Martin designated the Minister of Environment as the minister responsible for the Parks Canada Agency. Since 1993 and the brief government of Prime Minister Kim Campbell, Parks Canada had been placed within Heritage. The return of Canada's national parks system to the environment portfolio is long over-due and a welcome decision.

Commitment to Review and Reform Pesticide and Toxic Policies

2004 Grade: D

2003 Grade: C+
2002 Grade: C
2001 Grade: F
2000 Grade: D-
1999 Grade: D
1998 Grade: F
1997 Grade: F
1996 Grade: C-
1995 Grade: D
1994 Grade: C
1993 Grade: F

In February, 2004, France became the 50th country to ratify the Stockholm Convention on Persistent Organic Pollutants (POPs), which came into force on May 17, 2004. Parties to the Convention have until May 17, 2006 to develop a National Implementation Plan (NIP) outlining how they will eliminate POPs in their own countries.

Although Canada has shown leadership on this issue, being the first country to both sign and ratify the Stockholm Convention in May 2001, we have yet to develop a national implementation plan that reflects the more stringent regulation detailed in the Convention, and prepares industrial and other sectors for the inevitable regulatory changes. Public consultations on the development of the NIP have begun. Canada has largely missed the opportunity to develop and promote technologies, like alternatives to incineration that could both help Canada achieve its domestic targets and take advantage of the demand for solutions that other Parties to the Convention need to meet their own targets. Currently, domestic toxic substance regulation fails to address how to identify new POPs. The reevaluation of Lindane currently underway, as well as mounting alarm over brominated flame retardants, should be examined with an eye to their eventual regulation under the Stockholm Convention.

Budget processes must also commit sufficient funds to the responsible Ministries to allow for the development of comprehensive inventories of domestic POPs, identification of producing sectors, and the promotion of alternatives and cleaner technologies.

On pesticides, regulations regarding the creation of a sales database for pesticides were Gazetted on March 27, 2004. However, there is still no mechanism to track pesticide use in Canada, no reporting mechanism for pesticide poisonings, and the revised definition of so called “confidential business information” enjoyed by pesticide companies is still not in place, so the public and health practitioners still have no access to health and environmental studies companies provide to the PMRA to make a case for the registration of a product.

As one of the three major producers of genetically modified crops, Canada should ratify the Cartagena Protocol on Biosafety. Fully 107 Countries have signed and ratified the Biosafety Protocol to date.

Despite some progress on POPs, however, Canada’s role in the on-going defense of chrysotile asbestos lowers this mark. As parties prepared to list chrysotile asbestos under

Rotterdam Convention as a hazardous product for which developing countries deserve Prior Informed Consents (PIC), Canada blocked the listing. Through 2003-2004 a number of groups including Sierra Club of Canada urged that Canada accept that such PIC was essential. We were promised by senior officials that public consultations would continue until the fall. In fact, the decision to oppose the listing of chrysotile asbestos was made during the June federal campaign. One of the last acts of the Chrétien government was to approve more funding to the pro-asbestos lobbying group, the Asbestos Institute. Defending a carcinogenic product appears to be the one issue that brings together anyone interested in votes in Quebec.

Commitment to Environmental Assessment

2004 Grade: C+

2003 Grade: C

2002 Grade: D-

2001 Grade: C-

2000 Grade: F

1999 Grade: F

1998 Grade: F

1997 Grade: F

1996 Grade: D

1995 Grade: B-

1994 Grade: C

1993 Grade: F

The amended Canadian Environmental Assessment Act (CEAA) came into force on October 30, 2003. The CEAA amendments represent a modest improvement with significant new amendments, such as those covering Crown corporations, follow-up programs, a seven-year review, trans-boundary panel reviews, appointment of federal environmental assessment (EA) coordinators and recognition of the value of local and traditional knowledge in EA. Several agreements were signed over the past year to encourage cooperation between federal and provincial governments. Final agreements were signed by the federal government and British Columbia and Yukon, and a draft agreement was signed with Ontario.

The last year was one where ministers took tough decisions to invoke proper review of projects that threaten the environment. For the first time, due to the creation of a federal provincial joint review with the Alberta Energy and Utilities Board, public interest groups from beyond the immediate vicinity of the Athabasca tar sands were able to participate in the environmental assessment of tar sands expansions. The decision of the former Fisheries Minister Robert Thibault to create a panel under the CEAA to review the proposed rock quarry at Digby Neck, Nova Scotia was one positive example. So too was former Environment Minister David Anderson's decision to strike a panel to review the transboundary effects of the Belledune incinerator being built along the Bay de Chaleur on the NB side. Unfortunately, the proponent, Bennett Incinerator, successfully challenged the decision in Federal Court.

Another panel was created to review Hydro Quebec's Eastmain 1A and the Rupert River Diversion project in the James Bay region.

Nevertheless, the largest in scope and budget will likely be the review of the proposed Mackenzie Valley Pipeline Project, involving the construction of three gas production facilities at the mouth of the river and the construction of a 1200 kilometre pipeline to bring the pressurized natural gas to northern Alberta.

The larger concern remains in the application of CEAA by departments throughout the government of Canada. **The environmental assessment process is increasingly treated to a predictable formula through which nearly any project can pass unscathed.** There is inadequate follow-up on mitigation measures and conditions. Even when such measures are conditions of the approval, they are often ignored. Mitigation measures must be implemented on an ongoing basis for approved projects; sometimes bad projects must be turned down.

An early litmus test for the government of Prime Minister Paul Martin will be the handling of the environmental assessment of the Sydney Tar Ponds clean-up. The project is fraught with risk to the environment and human health. It is critical that a federal panel be initiated to ensure all practical and affordable technological options are examined, and any risks

mitigated. It is clear that the Nova Scotia government objects to a panel. That is no reason to cut corners.

Other provincial governments have also been reluctant to cooperate in joint panel reviews. For example, environmentalists have attempted to get a joint panel review for major hydroelectric projects (including Wuskwatim in northern Manitoba), for years without success due to the fact that the province adamantly refuses to cooperate.

Agenda 21 Commitment to Make Trade and Environment Mutually Supportive

2004 Grade: F

2003 Grade: F
2002 Grade: F
2001 Grade: D-
2000 Grade: D
1999 Grade: F
1998 Grade: F
1997 Grade: F
1996 Grade: F
1995 Grade: F
1994 Grade: F
1993 Grade: F

The past year witnessed startling successes - just not on the part of the Canadian government. Developing countries participating in the negotiations at the World Trade Organization (WTO) and in the Free Trade Area of the Americas (FTAA), supported by civil society and activists, stymied the multinational talks in Cancun and Miami. All too often, when those who have had the most to lose have been forced to risk it all, Canada has been standing on the wrong side of the effort.

Further, Canada's negotiating positions at the FTAA and the WTO and in other fora were virtually unaffected by any serious consideration of environmental effects. Further, Canada's attempts to integrate environmental goals, such as observer status for agencies of Multilateral Environmental Agreements (MEAs) at the WTO or the establishment of an environmental

side-agreement at the FTAA, would, even if successful, offer such little advancement to global environmental protection so as to be unhelpful.

The Government continues to advance further trade liberalization despite lacking a sense of how liberalization efforts to date, especially through the North American Free Trade Agreement (NAFTA), have effected the environment or our ability to achieve long-term sustainability.

This year marked the 10-year anniversary of NAFTA. Many of the fundamental concerns raised about NAFTA have been proven true. At the time that Canada granted extraordinary rights to foreign corporations over local corporations, environmental groups (and some provinces) expressed concern that the rights were not defined in the agreement. As predicted, these rights have been interpreted much more broadly than the Government intended. Now that it is apparent to virtually everyone that parts of NAFTA must be fixed in order to protect the Government's ability to protect the public interest, another prediction has come true - NAFTA was a one way street. The process of changing the problem parts of NAFTA (a process called "clarification" by the Government) has proven fruitless. In response, the Government is charging ahead with larger liberalization efforts, such as the FTAA, in the hope of superceding NAFTA with a better set of rules.

Canadian trade policy experienced major structural and leadership changes over the last year. The dual mandates of the Department of Foreign Affairs and International Trade (DFAIT) were split resulting in a separate International Trade Canada (ITC). A new International Trade Minister, Jim Peterson, was appointed following the re-election of the Liberal Government in July 2004. Unfortunately, the idea that sustainable development and trade policy should be mutually supportive has not been raised by the new Minister in any of his seminal speeches to date.

The Sierra Club of Canada would like to thank former Minister of International Trade Pierre Pettigrew and his staff - while his environmental concerns were unfortunately not effectively operationalized, his awareness that environmental imperatives are greatly affected by trade policy was always appreciated.

Commitment to the Conservation and Sustainable Use of Living Marine Resources

2004 Grade: D

2003 Grade: C

2002 Grade: D-

2001 Grade: F

2000 Grade: D

1999 Grade: C

1998 Grade: C-

1997 Grade: F

1996 Grade: F

1995 Grade: C

1994 Grade: F

1993 Grade: B-

This is one area where, regardless of whether we are looking at the Chrétien record or that of the new Martin government, the grade over the twelve months under review stays the same. The lack of progressive environmental progress has more to do with entrenched cultural attitudes within the Department of Fisheries and Oceans than the cast of political masters. In the last six months of the Chrétien government, Robert Thibault was Minister of Fisheries. In December 2003, he was replaced by a fellow Nova Scotian, the Hon. Geoff Regan, who continues as minister.

The failures of both ministers are most striking when one considers the long-promised Wild Salmon Policy. In 2002, a Fraser Sockeye Review was released with specific recommendations supported by all stakeholders. Key among these was the creation of a Wild Salmon Policy for the BC stocks by the end of 2003 for the BC stocks and a risk strategy for management that included consultation with all stakeholders. On April 8, 2003, Minister Thibault committed to the full acceptance and immediate implementation of all of the report's recommendations.

More than a year later there is still no coherent policy for BC Wild Salmon. Neither has full consultation on the harvest planning process been put in place as promised. The 2002 Fraser River Sockeye Review Committee had been quite clear this new process was essential prior to the 2003 season. Two fishing seasons have gone by without implementation. The

periodic crises in management are virtually inevitable when the Department cannot answer the question, “what are we trying to conserve?”

The conservation interests were not consulted when DFO made the disastrous decisions to overfish the 2004 sockeye run while knowing that there was a problem of low water and high temperatures in the Fraser River, a potentially lethal cocktail for sockeye. No precautionary approach was taken and the predictions are that out of an estimated stock of 4.5 million sockeye, only 200,000 may make it home to the upper Fraser River system. DFO allowed the various fisheries to take an estimated 2.3 million fish. This is a disaster of unprecedented proportions and may mean the commercial extinction of this year’s salmon run in the future. (That means that the small number of fish returning this year will not be able to produce enough fish to allow a fishery 4 years from now.)

Meanwhile, the BC Commercial Industry Groundfish Advisory Committee is functioning working towards a more sustainable fisheries and integrated groundfish management, but without the conservation groups. The entire Marine Conservation Caucus, including World Wildlife Fund, Living Oceans Society, Raincoast Conservation Society, the David Suzuki Foundation and the British Columbia Chapter of Sierra Club of Canada and a number of other organizations withdrew over the failure of the departmental officials to provide adequate information about the fishery, including key groundfish trawl fishery location data. Without all information on the table it is impossible to participate and make informed decisions.

DFO is similarly conflicted on the issue of aquaculture and continues to promote it to the detriment of the marine ecosystem and the health of wild salmon, both along the Pacific and the Atlantic Canadian coasts.

On the East Coast, the decision to increase the cod quota was denounced by conservation groups and leading fisheries scientist, Dr. Ransom Myers of Dalhousie University. Any opening of this beleaguered stock must occur only with extreme caution.

While the determination of Minister Geoff Regan to go after foreign fleets over-fishing damaging Atlantic stocks is laudable, without adequate conservation of our domestic fishery, it appears politically motivated. This is a shame as these steps to discipline Spanish and Portuguese fishers are important.

Credit though must go to the individual scientists of the department, located in the regional offices who have tried to put the precautionary principle first. In particular in this reporting period, the Gulf Region office of DFO provided clear recommendations against seismic testing in the southern Gulf of St. Lawrence. That advice was ignored. The seismic testing took place in the last week of Thibault's time as minister and the first weeks of Regan's. The blame for this ecological abuse largely rests with the province and the pro-development federal-provincial board that licenses activities in Nova Scotia's offshore, the Canada Nova Scotia Offshore Petroleum Board. Its mandate needs to be subsumed to the conservation goals of the Oceans Act.

Another plus for the department was the creation, at long last, of the Gully as the first Marine Protected Area in Atlantic Canada. Minister Thibault managed the announcement mere days before the shift in government. It had been promised since David Anderson was fisheries minister in the late 1990s.

The only other bright spot for living marine resources was the introduction in spring 2004 of legislation to curb marine pollution from ships dumping oil at sea by former Environment Minister David Anderson. The bill, largely geared to protect sea birds, thousands of which die every year due to oil spills, died itself when the election was called. We look to its early re-introduction in the next Parliament.

Forests

2004 Grade: C

2003 Grade: C+
2002 Grade: F
2001 Grade: Absent
2000 Grade: D
1999 Grade: D
1998 Grade: D
1997 Grade: D
1996 Grade: C-
1995 Grade: C+
1994 Grade: A
(not graded in 1993)

The Sierra Club of Canada continues to support the 2003-2008 National Forest Strategy as a significant national undertaking that could, if enough force gathers behind it, create meaningful changes in forest landscape management.

The Canadian Forest Service continues to provide easily accessible and meaningful information on national forest trends in its annual State of the Forests Reports. It also continues to fund First Nations Forestry Programs, the Model Forests Initiative and conduct research on alternative harvesting methods and silvicultural alternatives to clearcutting.

However, it was revealed this year that the Canadian forestry service is spending \$20 million on GE tree experiments. Government documents obtained under the Access to Information Act regarding these experiments include warnings from staff scientists at the Canadian Forest Service that it is impossible currently to prevent genetic material from experimental trees being blown on the wind to contaminate other trees. "Gene flow from genetically modified trees will occur unless they are strictly made unable to reproduce," the document continues. The investment in GE tree species is a lose-lose investment. Either the experiments succeed in producing seedless trees, and our future will be darkened by forests that cannot support wildlife, or the experiment to produce sterile trees will fail, leading to the contamination of natural forests. Taxpayer money is being spent on a grim experiment that has no positive outcomes.

PROVINCIAL GRADES

Newfoundland and Labrador

Biodiversity

2004 Grade: B-

2003 Grade: C+

2002 Grade: F

2001 Grade: F

2000 Grade: F

1999 Grade: D

1998 Grade: C-

1997 Grade: D

1996 Grade: F

1995 Grade: D-

(not graded in 1993, 1994)

Newfoundland and Labrador has been making steady progress in improving its grade for biodiversity protection. This year's increase is primarily due to extra points awarded for the completion of the innovative forest management plan with the Innu Nation of Labrador.

Protected Areas

The provincial government and the federal government continue work on the feasibility study for the Mealy Mountains National Park proposal. The decision to locate the planned trans-boundary highway away from most critical ecosystem features in spite of higher costs is also a source of higher marks.

Progress must be made, however, on the dwindling opportunities for conservation on the main Island of Newfoundland. The Great Northern Peninsula contains some of the oldest boreal forest ecosystems and unfragmented watersheds that remain in the province.

Environment and Conservation Minister Tom Osborne has had some nice words to say about the possibility of ecological reserves in the area, but political will is not apparent.

Establishing protected areas on the Peninsula is an urgent protected area priority.

The Little Grand Lake Ecological Reserve, announced last year, is still not completely implemented. The provincial Cabinet must act to firmly establish this protected area by year end. The area is critical for habitat of the endangered Newfoundland marten.

Progress is still lacking in moving the proposed Lac Joseph-Atikonak Wilderness Reserve in Labrador to reality. The 1,650,000 hectare area was first identified in 1973 as a candidate area for protection, but has been stalled in recent years due to the potential for further hydro development at Churchill Falls. The Lac Joseph-Atikonak region is home to a very significant threatened herd of woodland caribou.

In addition to these high priority examples, progress must be made to fully develop, release and implement a Natural Areas System Plan that would deal more holistically with representative protected areas in the province.

Species at Risk

Progress is being made in recovery planning for the Newfoundland marten. The provincial act, the Endangered Species Act, was enacted in December 2001. Identification of critical and recovery habitat is a key component of the Act. A Newfoundland marten recovery effort has been undertaken under direction of the provincial wildlife division and with cooperation from provincial and federal forest departments, industry, and educational institutions. Public awareness of the importance of protecting the Newfoundland marten, is much improved throughout the province. There are also recovery plans in place for the rare plant, the Long's Braya and Labrador caribou herds. The province also participates in plans for the Peregrine falcon and the harlequin duck.

In less positive news, logging continues in areas previously considered off-limits as critical salmon habitat. Many watersheds, especially in western Newfoundland, such as the Upper Humber, Main River, and Robinson's River, are being logged near sensitive spawning grounds for Atlantic salmon. Forest-dwelling species are also in decline, including the brown bat and the muskrat.

Forests

The Innu Nation and the provincial forest department published a forest management plan covering most of the forested and traditional lands of the Innu people, an area referred to in the provincial forest plans as Forest Management District 19. (Although this was announced in March 2003, it fell out of last year's grading process. Extra points are awarded for 2004).

The plan is already winning accolades from ecological silviculture experts across Canada. The five year plan cuts the annual allowable cut (AAC) in the area in half from 400,000m³ to 198,600 m³ and were the outcome of the planning process. The reduced level of logging allows the Innu Nation to protect key ecological features, habitat for endangered species as well as extend a protected areas network throughout their lands. Innu Nation members' direct involvement in the plan and its implementation is an important step in demonstrating their ability to manage their lands sustainably. The provincial department of forests' role in the partnership is also significant. The new willingness of the province to work towards progressive solutions is to be commended and is the largest part of the grade increase this year.

As well, the province has acted to increase public comment opportunities about forest policy. The new government policy allows the public a 30 day window to comment on assumptions leading to the calculation of the AAC as well as 30 days to comment on the AAC itself.

Climate Change

2004 Grade: C-

2003 Grade: C+

2002 Grade: C-

2001 Grade: C-

2000 Grade: D+

1999 Grade: F

1998 Grade: F

1997 Grade: D

1996 Grade: D-

1995 Grade: F

1994 Grade: F

1993 Grade: F

The grade is slipping. Despite some initial enthusiasm about the provincial discussion document and consultation on climate change, launched in June 2003, the province still does not have a provincial plan in place to meet greenhouse gas reduction commitments. The provincial government has been asleep at the switch when it comes to wind energy, missing huge opportunities due to the province's particularly strong potential for wind (as long as not sited near major migratory bird flyways, such as the ill-fated wind project proposed near Baccalieu bird sanctuary.)

To its credit, the government has completed energy retrofits on a significant proportion of its government buildings. The public outreach programmes that are funded are good value. Unfortunately, the laudable provincial support for home energy retrofits has not survived the collapse of the community based delivery agent.

Nova Scotia

Biodiversity

2004 Grade: D+

2003 Grade: F

2002 Grade: C

2001 Grade: C

2000 Grade: C-

1999 Grade: C-

1998 Grade: C-

1997 Grade: F

1996 Grade: B-

1995 Grade: D

1994 Grade: F

(not graded in 1993)

The picture on biodiversity in the province of Nova Scotia is mixed. If not for the strong efforts for species at risk, the Nova Scotia government would receive a failing grade.

The province had one of the best programmes for protection and recovery of terrestrial species at risk anywhere in Canada. Both the Nature Canada and Environmental Defence Fund Report Cards rated Nova Scotia very well on its efforts regarding species at risk (B-, and B respectively.) The provincial act itself, as noted in previous Rio Report cards, is one of the best in Canada, and far superior to the federal act. The listing is a scientific process. This scientific effort has resulted in the listing of 24 species at risk in the province. Recovery plans, in which habitat can be protected, are under development.

On the other hand, movement to deliver on the protected area network is appallingly slow. (Parks are generally established, one at a time on the eve of elections). Of the 80 natural regions in Nova Scotia, less than half are adequately protected. In the summer of 2003 came the welcome news of the establishment of Eigg Mountain-James River and Gully Lake as wilderness areas under the Wilderness Areas Protection Act. Conservationists are still awaiting action on the priority list for terrestrial conservation are Herring Cove Backlands, Five Bridge Lakes, Ship Harbour Long Lake, Nictaux River, Humes River, Gluskap Mountain, and the Tobeatic Additions.

The growing problem in Nova Scotia of the use of off-road (ATV) vehicles was thrown to the Voluntary Planning board. Action to limit use of these vehicles in sensitive ecological areas is still in the offing.

Against any good news and progress stands, however, one of the most callous of anti-environmental decisions anywhere in Canada in the June 2003 - June 2004 Rio grading period. The decision to allow seismic testing in a very sensitive ecological coastal zone, the Northumberland Strait, also known as the southern Gulf of St. Lawrence, against the advice of federal scientists and over the objections of fishermen's organizations, the tourism industry, academics, First Nations, environmental groups, and the Premier of Prince Edward Island, is a long-lasting black mark on the province's copy book. Federal scientists at Fisheries and Oceans had recommended against the testing as the area is rich in biodiversity and especially has a lucrative crab fishery. (It is too early to say whether the 2004 disastrous season for the crab fishery as related to the blasting over Christmas season in 2003).

The decision actually contradicted the province's own energy strategy, "Seizing the Opportunity," which made a clear commitment to the identification of sensitive areas *prior* to allowing any oil and gas activities in those areas. This is very close to the recommendation of the federal Fisheries Resources Conservation Council in calling for a moratorium until sensitive zones can be identified. As well, the decisions ignored the advice of the Standing Committee of the House of Commons fisheries committee. It was an unforgivable show of contempt on the part of the Hamm government for science, fishermen, public opinion, and the environment in general.

It is, unfortunately in keeping with the Hamm approach of rolling over local opposition in favour of industrial interests. The Hamm government has allowed a series of environmentally disastrous projects, from the massive basalt quarry on Digby Neck to the fish farm of Northwest Cove and the mussel farm at St. Anns Bay, the Hamm government, even as a minority of the provincial legislature, is stubborn and ill-informed in equal measure.

Toxic Chemicals/Pollution

2004 Grade: F

2003 Grade: F

2002 Grade: F

2001 Grade: F

2000 Grade: C+

1999 Grade: D

1998 Grade: F

1997 Grade: C

1996 Grade: F

1995 Grade: --

1994 Grade: F

(not graded in 1993)

Although there was good news in the commitment of \$400 million to clean up the tar ponds, most of the credit must go to the federal government (and the feds are the major source of cash.) Meanwhile the province continues to object to a proper environmental assessment of the tar ponds clean up, as it also objects to environmentally advanced clean up technology. It

proposes to dig out the PCB contaminate sludge over 50 parts per million, as burying that would be illegal, incinerate it in mobile units in the community and bury the rest.

This is not the safest approach, not is it the most environmentally appropriate. It is not even good economics. Restoring the area to ecological health is essential to rebuild the area's economy. A large area of buried toxic waste will not do that. It misses the opportunity to showcase leading Canadian environmental technology for clean up.

A full panel review under the Canadian Environmental Assessment Act is essential.

Climate Change

2004 Grade: C-

2003 Grade: C

2002 Grade: C-

2001 Grade: F

2000 Grade: C+

1999 Grade: D

1998 Grade: D

1997 Grade: D+

1996 Grade: D

1995 Grade: D+

1994 Grade: F

(not graded in 1993)

Nova Scotia has done well in collaboration with the federal government to establish its GHG inventory. However, it has done less well in making the necessary changes to meet Kyoto targets. Forty percent of emissions come from the generation of electricity and Nova Scotia remains too dependant on dirty fossil fuels.

Nova Scotia continues to work within the Conference of New England Governors and Eastern Canadian Premiers (CNEGECP) which has adopted Kyoto-like targets for the region

Unfortunately, Nova Scotia has missed a key opportunity to attach Kyoto targets to its energy policy. The recent decision to add a 47 MW natural gas turbine, without ensuring the capture of waste heat (co-generation) and without adequate public consultation or environmental assessment. NS

continues to defend the mining and burning of coal, while watching the limited production of natural gas from the offshore, be piped out of province.

Prince Edward Island

Biodiversity

2004 Grade: B-

2003 Grade: C-

2002 Grade: D

2001 Grade: D

2000 Grade: D

1999 Grade: C-

1998 Grade: D

1997 Grade: C

1996 Grade: C

1995 Grade: B-

(not graded in 1993, 1994)

The grade improves this year in recognition of the listing of species, and for Premier Pat Binns' stellar leadership in opposing the oil and gas industry plans for the shared waters of the southern Gulf of St. Lawrence.

Prince Edward Island is making progress on protection of its species at risk. After passing the Wildlife Conservation Act in 1998, no species had been listed. This year the government committed to legally listing the federal COSEWIC species within the provincial law.

The recent hiring of biologist Kate MacQuarrie as Director of Forest Operations bodes well for forest issues in the province. There is increased support for more sustainable forestry practices through the Forest Enhancement Program, which is funding strip cuts, patch cuts and thinnings. The program is aimed at landowners who do not want clearcuts on their property.

No new designations of natural areas since 2000.

Climate Change

2004 Grade: A-

2003 Grade: B+

2002 Grade: B+

2001 Grade: B

2000 Grade: D

1999 Grade: C

1998 Grade: D-

1997 Grade: D

1996 Grade: D

1995 Grade: C-

1994 Grade: C

(not graded in 1993)

Congratulations to Prince Edward Island for the nation's highest grade on climate change. The "A" is for the excellent progress in developing the provincial energy strategy. Five percent of the provinces' electrical energy now comes from wind energy produced at the North Cape Wind Farm, with a goal of 15 percent by 2010. The minus is for lack of action on transportation and for failures in public engagement of Maritime Electric Inc.

Maritime Electric has demonstrated that it is a monopoly utility having problems adapting to the winds of change in energy planning. The hearings before the Island Regulatory and Appeals Commission demonstrated many of the utility's systemic problems. Lack of support for public participation, a failure to demonstrate alternatives led to the decision to proceed with a \$35 million dirty diesel plant. Rather than building new diesel plants, the province need to adopt aggressive demand side management policies to decrease demand.

New Brunswick

Biodiversity

2004 Grade: C+

2003 Grade: C+

2002 Grade: C

2001 Grade: B-

2000 Grade: C

1999 Grade: D

1998 Grade: D

1997 Grade: F

1996 Grade: D

1995 Grade: F

1994 Grade: C

1993 Grade: F

The year's environmental doings in New Brunswick have been particularly heated.

Regardless of the issue, the people of New Brunswick are no longer complacent about their environment. The ill-considered decision to approve a toxic waste incinerator in Belledune, N.B., sparked huge levels of public outcry including 45,000 names of opponents on petitions and a huge concert featuring Bruce Cockburn.

The phenomenal public outpouring of concern for the province's forests in legislative hearings late in 2003 reflects a change that is deep throughout the province. The outcry was in reaction to industry demands, summarized in a report commissioned by the government to the consultant group Jaako Poyry, which proposed to double the annual allowable cut in New Brunswick, through intensive forest management and a weakening in the protection of wildlife areas and riparian buffer zones.

New Brunswick has more work to do on completion of its protected areas network. The total area protected as the smallest of any province in Canada -- 3.1 percent of the whole province, and 6.5 percent of all Crown lands. The cap of 5,000 hectares on all new protected areas from Crown land is a barrier to progress.

Meanwhile, the Petitcodiac River *still* requires installation of a bridge span in the causeway at Moncton to allow the ecosystem to restore itself.

Toxic Chemicals/Pollution

2004 Grade: F
(not graded in previous years)

New Brunswick has not before been graded on toxic chemicals. But the decision to ignore public opposition and permit the hazardous waste incinerator in Belledune earns an F. Now that the Quebec government has confirmed that the Bennett plant in Quebec has unacceptable levels of dioxins in its emissions, perhaps the NB government will listen to local residents. The province should support its best environmental group, the Conservation Council of New Brunswick and two of its leaders, David Coon and scientist Inka Milewski, who are being sued by Bennett. Bennett's suit falls into the category of what is described as Strategic Litigation Against Public Participation (SLAPP) suit. As such it imposes costs and stress on concerned citizens and allows a corporation to attempt to scare away those who ask legitimate questions. Given that the effort to raise issues was only made necessary by the government's failure to do its homework before permitting the incinerator, the government should absorb all legal costs and intervene in the case in CCNB, Coon and Milewski's defence.

Climate Change

2004 Grade: C

2003 Grade: B
2002 Grade: B+
2001 Grade: D
2000 Grade: Incomplete
1999 Grade: F
1998 Grade: D
1997 Grade: C-
1996 Grade: D+
1995 Grade: C+
1994 Grade: C
(not graded in 1993)

(Please note that the very recent announcement of the Renewable Energy Agency cannot be included in this report cycle. Clearly it will improve the grade received by NB in the 2005 report card.)

New Brunswick has lost ground due to poor planning and energy choices that miss opportunities to meet Kyoto. The decision to refurbish the Coleson Cove 1000 megawatt oil fired power plant, which is responsible for one-fifth of the province's greenhouse gas emissions is a major reason for the falling grade. It is the biggest GHG polluter in all Atlantic Canada. We needed to unplug it from life support. Instead, the lifetime of the plant has now been extended to 2030.

As well, the province is considering building a new 450 MW coal fired plant in northern New Brunswick, under contract to Hydro Quebec.

Despite the province's historic leadership in the New England Governors/Eastern Canadian Premiers process, it is actually not delivering as much as some of the jurisdictions in the U.S..

The Public Utilities Board has clearly advised that pursuing the nuclear option in New Brunswick is not in the public interest. While some argue nuclear helps us solve climate change, the reality is different. The huge capital costs of nuclear rob the energy piggy bank and represent a huge opportunity cost. If the funds needed to refurbish Point Lepreau were placed into co-generation, demand side management and renewables, NB would have a safer and more secure energy future, with cleaner air as a bonus.

Quebec

Biodiversity

2004 Grade: B

2003 Grade: B
2002 Grade: D
2001 Grade: D-
2000 Grade: D
1999 Grade: F
1998 Grade: F
1997 Grade: D-
1996 Grade: C+
1995 Grade: C+
1994 Grade: D
(not graded in 1993)

The B this year reflects political leadership from Ministers Sam Hamad and Thomas Mulcair in registering the province's opposition to proceeding with seismic testing in the Gulf of St. Lawrence. The ministers listened to the scientists who advised the blasting could have serious impacts on the beluga whales of the St. Lawrence River. The testing that was requested through the National Energy Board would have taken place in December near Anticosti Island, at the mouth of the river. Some scientists described it as being as effective as placing a stopper in a bottle preventing the migration of pregnant beluga whales.

The continued leadership from Quebec to exclude oil and gas activities from the Gulf, an area that is virtually an inland sea and is one of the most biologically productive zones of Canada's oceans is essential. Stéphane Dion and John Efford need to consider the opposition of New Brunswick, Prince Edward Island and Quebec and consider how the pro-development Canada Nova Scotia Offshore Petroleum Board can be allowed to continue risking the ecological integrity of the Gulf.

Meanwhile, in the last year several areas have been awarded interim protection—a total of 50,022.18 km². But the province still has a long way to go before meeting its underachiever target of protecting 8% of Quebec's natural areas by 2005. On the forestry front, the government set up a forestry commission for public comment on the direction of forest

practices. The commission is a result of the Auditor General Report to the National Assembly of Quebec for 2001-2002, in which the Auditor General raised concerns about the calculation of the annual allowable cut, silvicultural practices and lack of reliable data for growth and yield projections. It remains to be seen what the Commission will decide.

Another key issue where Quebec must re-assess its position is the proposal from the Council of Great Lakes Governors with Ontario and Quebec's Premiers to allow large scale diversions of Great Lakes water. Charest must work with McGuinty to ensure no scheme is approved to drain the Great Lakes. A rigorous "no diversions" approach must be enshrined.

Climate Change

2004 Grade: B+

2003 Grade: A-
2002 Grade: B+
2001 Grade: B-
2000 Grade: B
1999 Grade: C+
1998 Grade: B-
1997 Grade: D-
1996 Grade: D+
1995 Grade: C+
1994 Grade: D
(not graded in 1993)

A long standing Kyoto supporter Quebec continues to promote energy conservation within the province, develop wind energy and has the clear lead in mapping climatic vulnerabilities and developing an adaptation strategy.

It loses points this year, however for Hydro Quebec's contracting to build a fossil fuel plant over the border in N.B. The release of the greenhouse gas, methane, from any impounded waters should the Rupert River diversion proceed is another negative in an otherwise strong provincial performance. Hydro-Quebec and small developers must stop the pressure to dam more and more of the province's rivers. It won't produce enough electricity to justify destroying the environment. Contamination of water courses, through chemical leaks (TCE)

remains a concern, particularly for the Jacques-Cartier river and City of Shannon. Worse, the Quebec government has seemingly given its assent to Hydro-Quebec's ambition to build the Suroit gas-fired generation station, which would alone increase Quebec's greenhouse gas emissions by 2.6%.

Quebec should live up to its ongoing public support for fighting climate change by taking advantage of its potential for energy efficiency and renewables instead of building polluting fossil fuel stations.

Ontario

Biodiversity

2004 Grade: B

2003 Grade: D-

2002 Grade: F

2001 Grade: F

2000 Grade: F

1999 Grade: D-

1998 Grade: F

1997 Grade: F

1996 Grade: F

1995 Grade: C+

(not graded in 1993, 1994)

As in the federal scene, the change of government cuts through the RIO grading period. But the change was far more dramatic in Ontario. Going from the Eves/Harris era of cut-backs in environment and looser regulation of industry to important promises from the McGuinty government. The words "McGuinty promises" have already developed a somewhat hollow ring, but in the environmental area, there has been progress. At least the budget of the Environment Department, led by Minister Leona Dombrowski has gone up for the first time in years. The focus on protection of water at source has some good spin-offs for biodiversity. But McGuinty's most dramatic promises have yet to be acted upon.

The creation of parks, their protection with a new parks act, and the protection of species at risk remain commitments of the Liberal government of Dalton McGuinty. But McGuinty says he will go further and “end the [previous government’s] policy of allowing unlimited size clear-cuts in Ontario. These massive clear-cuts cause irreparable damage to our forests.”

The review of the new parks policy is now underway.

In addition to McGuinty’s election promises, we need action to fulfill the land use designations and protections of the Living Legacy of the previous government. As of the summer of 2004, 67 percent of the areas set out in the Living Legacy had been protected by regulation.

Of particular concern are a number of the so-called Signature Sites, including the Kawartha Highlands, parts of the Great Lakes Heritage Coast, Killarney Provincial Park additions, Woodland Caribou, and the Nagagamisis. None of these were regulated by the summer of 2004.

One key issue on the horizon is the proposal from the Council of Great Lakes Governors with Ontario and Quebec’s Premiers to allow large scale diversions of Great Lakes water. McGuinty must exert leadership to keep the process working until a rigorous “no diversions” approach can be implemented.

In recognition of promises and with a clear warning not to expect generous grading in 2005 if these promises are no further advanced, Sierra Club of Canada gives McGuinty a B for biodiversity protection.

Climate Change

2004 Grade: D+

2003 Grade: F

2002 Grade: Incomplete

2001 Grade: F-

2000 Grade: F

1999 Grade: F

1998 Grade: F

1997 Grade: F

1996 Grade: F

1995 Grade: C+

1994 Grade: C

1993 Grade: D

The Ontario Government mark for climate change goes up to a D+. This is based on the commitment to phase out coal and take on Kyoto obligations. If the actions since the Liberal election win were consistent with the promises this grade would be far higher. Unfortunately, performance has been disappointing. The McGuinty government is taking baby steps toward conservation and renewables while launching into huge and misguided investments to fix old and unreliable nuclear reactors. Deciding to fund nuclear reactors in Ontario, after the long and troubled history and billions of dollars in stranded debt is like the captain of the Titanic deciding to take another run at the iceberg. Energy Minister Dwight Duncan knows better than to invest in economic and environmental losers like aging nuclear reactors. A request for proposals for 300 megawatts of green energy was completely oversubscribed by 4400 megawatts. The government's commitment to the phase out of coal demands a strong demand side management strategy, greater exploitation of district energy (co-generation) and renewables. One small step in the right direction was McGuinty's commitment to 1,350 MW of wind energy by 2007. This would bring Ontario up to 5 % of electricity coming from renewables -- the level PEI has now.

Meanwhile, the work towards an emissions trading system is flawed and out of step with their commitment to phase out. The emissions trading structure will count on trading pollution credits in order to comply with the Canada-United States Air Quality Agreement Ozone Annex conditions.

Manitoba

Biodiversity

2004 Grade: C-

2003 Grade: D-

2002 Grade: D-

2001 Grade: D

2000 Grade: Incomplete

1999 Grade: D+

1998 Grade: D

1997 Grade: C+

1996 Grade: F

1995 Grade: F

1994 Grade: F

1993 Grade: F

The Manitoba grade nudges up through progress on the long overdue Lowlands National Park. The signing of the Memorandum of Understanding (MOU) between the federal and provincial government took place in March 2003. The MOU requires consultations and negotiations for the national park establishment agreement to be completed in May 2005.

Some limited progress in protected areas establishment occurred this year. The 11,310 ha Bell and Steeprock Canyons protected area, the 15 ha Little George Island Ecological Reserve, and an expansion of the Rivers Provincial Park to include 50 ha of mixed grass prairie are the new additions to Manitoba's network of protected areas this year. Formal recognition of 4,100 ha of tall grass prairie lands owned by the Nature Conservancy of Canada was also recognized as adding to Manitoba's protected lands.

The extension of interim protection for the 800,000 ha Poplar/Nanowin Rivers Park Reserve was also of significance, although this action does not result in new protected lands. Of perhaps more significance is Premier Doer's renewed commitment to protected areas establishment during the June 2004 protected areas announcement. The Premier stated that the Manitoba Government would "continue to work at expanding our vital protected areas network."

Nevertheless, other assaults on Manitoba's wilderness continue. The planned Wuskwatim hydro development would increase fragmentation of forest lands and impact threatened species such as the woodland caribou. Manitoba Hydro and its partner, the Nisichawayasihk Cree Nation, continue to work to convince the public, affected communities and trappers that transmission corridors do not affect biodiversity, even when they are 120 meters wide. Other hydro projects planned for the near future include Gull/Keeyask and Conawapa. Both of these projects would require significant transmission infrastructure, which would further fragment Manitoba's boreal forest regions. Gull/Keyask would involve significant flooding.

As Manitoba continues to license itself – various large public sector projects – without joint environmental panels, or full participation by federal authorities and experts, the government continues to risk credibility, and the validity of its own environmental reviews, and licenses.

There is currently no work plan or Action Plan for completion of Manitoba's network of protected areas. It has needed updating for almost two years. The province that led the country in the proportion of its lands and waters that received protection from development during the 1990's may have lost its way. With over 100 areas of interest to review for protected status, a pattern of protecting one per year means it will take a millennium to finish Manitoba's protected areas networks. Manitoba's East Side Planning Initiative will file its report early this fall. Lack of transparency, and departure from the mandate and terms of reference for the initiative cause concern. It does not seem that Manitoba knows what conservation based land use planning means.

The East Side of Lake Winnipeg planning process, designed to determine the future allocation and protection status of primarily intact boreal forest on the east side of Lake Winnipeg, requested more time to fulfill their mandate; it remains to be seen whether or not the government of Manitoba will extend the process.

All the major forestry companies in Manitoba fail to fully involve conservation and environmental organizations in their advisory committees. Open Houses for annual operating plans continue to be a substitute for public review. Information and details

regarding annual operating licenses, review of operations by government continue to be unavailable to the public.

A review of Manitoba's Forestry Act is long overdue, and a 2002 commitment to develop a new Forestry Act¹ remains unfulfilled. Long term forest management plans for Louisiana Pacific license renewal will be in the system soon. Public information as to guidelines for preparation of the LP plan is not available. It remains to be seen whether public review (as per past practice) of those guidelines will take place.

The Lake Winnipeg Stewardship Board is due to provide its first report to government in late 2004. To date the board is under funded, and a list of priorities in a press release provides direction for the 'Lake Winnipeg Action Plan.' One of the largest inland lakes in the world, Lake Winnipeg is sick, and being compared to Lake Huron in the 1970s. The Manitoba government needs to renew its own scientific and technical capacity, hiring recently trained scientists to deal with the twenty first century environmental challenges the province faces.

There has been no State of the Environment report for Manitoba in several years. We challenge Manitoba to immediately begin work on a 2005 SOE.

Climate Change

2004 Grade: B-

2003 Grade: B+

2002 Grade: B-

2001 Grade: C-

2000 Grade: F

1999 Grade: F

1998 Grade: F

1997 Grade: F

1996 Grade: F

1995 Grade: D+

1994 Grade: F

¹ See 'Next Steps: Priorities for Sustaining Manitoba's Forests'
<http://www.gov.mb.ca/conservation/forestry/reports/prioritiesdoc.pdf>

(not graded in 1993)

Manitoba Premier Gary Doer remains a strong proponent of Kyoto, but the actual implementation in Manitoba suggests the provincial government and crown utility Manitoba Hydro appear to rely on 'emissions trading' schemes and expansion of 'green' hydroelectric development, rather than on significant reductions in fossil fuel and other emissions within the province.

There is no carbon or emissions inventory for Manitoba, and no budget or public reporting as to the carbon loss and emissions involved in operation current or proposed industrial development. Valuing the province's boreal forests as carbon reservoirs is not occurring. A government as supportive of Kyoto needs to lead the way to a carbon neutral future in Canada.

The lack of an energy plan for Manitoba, despite promises to begin to discuss both climate change and the energy future of Manitoba, tells us that this government needs to start listening, learning and planning in a hurry.

As the Winnipeg Floodway Expansion moves into the environmental review stage, the Manitoba government has the opportunity to take the lead in climate change action by mandating this mega-project to be neutral in emissions and carbon loss. Instead, the climate change issues associated with the proposed Floodway Expansion are being given little attention, and Manitobans are not receiving information about climate change effects, and options regarding this project. The environmental impact statements for the floodway expansion are weak in areas of biophysical impacts, areas climate change mitigation.

The Axworthy report ("Manitoba and Climate Change, Investing in our Future" 2001), from the committee charged with reviewing climate change impacts and public policy in Manitoba, contains many recommendations which the government of Manitoba trumpeted but has not acted upon. An audit of actions to date, and return to action on these recommendations is urgently needed. Manitoba Hydro's Power Smart programs are a start at energy conservation but recent environmental hearings showed the utility to be unable to

answer basic questions about the climate change impact of its infrastructure, or the impact of climate change on the hydro system and reservoirs in Manitoba. In particular, a cavalier attitude, as if climate change realities in Manitoba is irrelevant in light of Manitoba Hydro energy exports, was voiced repeatedly.

Saskatchewan

Biodiversity

2004 Grade: D-

2003 Grade: D-
2002 Grade: D-
2001 Grade: D
2000 Grade: F
1999 Grade: F
1998 Grade: C+
1997 Grade: F
1996 Grade: D
1995 Grade: D
1994 Grade: F
1993 Grade: F

Sadly, Saskatchewan is holding steady at barely passing marks. It has made no progress on protected areas, or endangered species or forest issues, oil and gas or land use. If anything, it has fallen farther behind due to budget cuts. The Biodiversity Action Plan, to be taken seriously, needs to be adequately resourced. This year the budget was cut by 20%, slashing funding for land-use planning, protected areas and species at risk. The only bright spot was the release of the Biodiversity Action Plan in May 2004. While this plan took six years to be released, including the last two years in limbo following public consultations, the result was a commitment to both completing the network of protected areas and moving forward in protecting endangered species. The down side is that the time lines for action are either non-existent, or stretched over long periods of time, especially given the lack of action in recent years and the pressing needs for protection in the face of increased industrial development. This lack of action has been underscored by the large budget cuts and a chaotic

reorganization, still underway, that have seen planning and science staff cut to the bone, making promises of action hard to believe given the lack of dedicated resources.

Endangered Species

Saskatchewan was one of the weakest performers in endangered species report cards in 2004. Both Nature Canada and Environmental Defence Canada graded Saskatchewan between D+ and D-. Not impressive. The burrowing owl is perhaps its most iconic species. The provincial expenditures on species at risk are lower than even those of the Calgary Zoo – in fact the zoo spends 11 times as much as Saskatchewan.

Saskatchewan has developed recovery plans for the swift fox, four endangered bird species, and others are under review. But, overall, the effort is under-staffed and under-resourced and falling behind recovery efforts elsewhere.

Saskatchewan still has no specific endangered species legislation. It does have regulations under The Wildlife Act through which 15 plants and animals were officially designated in 1999.

Protected Areas

Saskatchewan could make great strides by moving to accept recommendations that have been made within the first stage of the Athabasca LUP process and to ensure that the North Central LUP delivers landscape level protection. In addition, the Fort a la Corne Forest, Great Sands Hills, and Pinehouse-Dipper planning processes offer immediate opportunities to make protected area gains. In addition the pending Provincial centennial in 2005 provides a key opportunity to protect the Churchill River watershed.

Many sites in the Representative Areas Network (RAN), which is composed of more than five million hectares, face challenges to their ecological integrity as they are not protected from mineral exploration/mining.

It has been an up and down year for Protected Areas in Saskatchewan. On the up side, the Biodiversity Action Plan, released in May, 2004, made a commitment to return to protecting a full 12% of the province in the RAN after several years when the target had been clawed back to 10%. The down side is that there have not been any new protected areas created since 2002, and those in the works are bogged down in land use planning processes that are being manipulated to favour industrial use of the landscape. Even the Biodiversity Action Plan suggests that “Lands with known economic development potential...will not be considered as RAN sites,” and goes on to announce that “...mineral and petroleum exploration may be allowed in selected RAN sites.” Overall this suggests a weak commitment that will always take a back seat to industrial development, no matter the value of the ecological systems involved, or the dubious value of resource developments that will keep important lands from being protected.

Forests

Saskatchewan's forests are being transformed, with hardwood on a rotation schedule of clear-cuts every seventy years and softwoods every ninety. The characteristics of old growth will disappear as new cutting plans focus on old growth liquidation. Meanwhile, Saskatchewan continues to have the largest reforestation backlog in the country. The Saskatchewan government has estimated that, of the rare plants of the province, 29 percent are found in the commercial forest region.

Saskatchewan is expanding its forest economy by implementing a ‘use it or lose it’ clause with forest companies—if they fail to reach their maximum annual allowable cut, the government is taking back the land and re-allocating it to a company that will log it at full capacity. The focus is clearly on timber utilization and not ecosystem based management.

Saskatchewan still has the highest amount of Not Sufficiently Restocked harvested land in all of the provinces—66% of Saskatchewan's forests are considered ‘understocked,’ and the area of deforested land in Saskatchewan increases annually.

Climate Change

2004 Grade: C

2003 Grade: C
2002 Grade: C-
2001 Grade: C+
2000 Grade: C+
1999 Grade: F
1998 Grade: F
1997 Grade: D-
1996 Grade: F
1995 Grade: D-
1994 Grade: F
1993 Grade: F

The Saskatchewan government maintained its support for action on climate change although we would have liked to see some more effort following the ratification of Kyoto Protocol. The Office of Energy Conservation is a good idea. However, a two person office without funding to run the programs is inadequate to the task at hand. Saskatchewan Power's Energy Solution program as well as the utilities efforts to incorporate small produce in the grid also contributed to this respectable grade.

Alberta

Biodiversity

2004 Grade: F

2003 Grade: F
2002 Grade: F
2001 Grade: F
2000 Grade: F
1999 Grade: D
1998 Grade: F-
1997 Grade: F
1996 Grade: B
1995 Grade: F
1994 Grade: B
1993 Grade: B

Ralph Klein appears to have contempt for the environment of Alberta -- and the whole planet for that matter. The Alberta government decisions to grant permits for the open-pit coal mine along the border of Jasper National Park has furthered blackened Klein's record. Without any environmental assessment of the revised plans and prior to the issuance of necessary federal authorizations, the Alberta government approved the substantially modified Cheviot mine. As a result a federal legal challenge is now underway and an appeal is before an Alberta tribunal. There have been no new protected areas established in Alberta since 2001 and this has adversely affected forest companies seeking certification for sustainable forestry practices.

On species at risk the attitude of Klein's government is no better. In February 2004, when the government's own advisory committee recommended the listing of the grizzly bear as a protected species, the Alberta government did the opposite. It approved a hunt of grizzly bears. According to government scientists, there are only about 500 grizzlies left throughout their range in Alberta. The internationally accepted number at which they should be declared endangered is 1,000 adults. Hunting the bear should be illegal under the federal law. Unfortunately, the Species at Risk Act federally is too weak to respond to this crisis. It could, of course, use the safety net provisions. But there is no political will to take on the Alberta Government.

The federal Liberals seem to think that the handful of endangered Liberal votes in Alberta are more at risk than the grizzlies.

Climate Change

2004 Grade: F

2003 Grade: F

2002 Grade: F-

2001 Grade: F

2000 Grade: D

1999 Grade: D-

1998 Grade: F-

1997 Grade: F

1996 Grade: F-

1995 Grade: F

1994 Grade: D

(not graded in 1993)

Although Alberta continues to make progress in reducing the intensity of its greenhouse gas emissions, this George Bush counting method means that the absolute amount of climate disruptive gases from Alberta continues to rise. The expansions in the Athabasca tar sands are becoming a major source of Canada's emissions.

In previous years Alberta has made progress in reducing the flaring of gases, thus reducing toxic as well as GHG emissions. Its Calgary "Ride the Wind" renewable energy powered bus system is a model for Canada. Climate Change Central, an Alberta government effort to stimulate climate solutions, continues to do good work.

Unfortunately, the political anti-Kyoto rhetoric has not toned down.

British Columbia

Biodiversity

2004 Grade: D-

2003 Grade: F

2002 Grade: F

2001 Grade: C+

2000 Grade: D-

1999 Grade: F

1998 Grade: D-

1997 Grade: D-

1996 Grade: B-

1995 Grade: C+

1994 Grade: C-

(not graded in 1993)

It was another very bad year for the environment in British Columbia. Gordon Campbell's government has attempted to bias any review of lifting the moratorium on oil and gas through funding the pro-development argument. Campbell has undermined the parks system and approved logging in parks (in response to the pine beetle epidemic). Whether dealing with forests, parks, the marine environment, endangered species or aquaculture, Campbell has been an environmental disaster. Recent progress on land use planning in the Great Bear Rainforest, a globally significant ecosystem, is the only bright spot in an otherwise dismal record, though final protection and forest management decisions have yet to be made.

Deregulation is the ongoing theme for the BC environment. A new Riparian Areas Regulation weakens protection for fish habitat by allowing developers to build closer to streams and giving local government more discretion in these matters.

The BC Liberals have undone the promise (never quite realized) of the Forest Practices Code, moving to a results based code, the Forest and Range Practices Act. The Act establishes vague environmental objectives (all qualified by the phrase "without unduly reducing the timber supply in BC's forests") but when coupled with a reduction in compliance and enforcement capacity, this new system more than ever amounts to a mining

of the forest for timber and little consideration of other values in the forest. As well, the province allowed forest companies to remove private land from their tree farm licenses, significantly reducing environmental protections over that land while expressly ignoring the vociferous objections of British Columbians who put a stop to this proposal only five years ago.

A new Integrated Pest Management Act makes the government responsible for enforcing companies' adherence to their own pesticide use plans and provincial regulations – but only after the fact and only with a severely reduced staff and budget. We will likely not know anything about the specifics and quantities of pesticides being used in BC.

The Campbell government's record on endangered species is no better. There is still no legislation to protect species at risk in BC. Campbell opened the grizzly bear population to hunting, ending the moratorium on grizzly hunting in 2001. There are indications that all efforts to recover the Spotted Owl may be abandoned and the critical habitat of marbled murrelet and northern goshawk, both endangered species, continues to be logged. The Campbell government has also increased hunting of cougars and wolves.

Parks are yet another area of grave concern. Cuts to B.C.'s parks budget have left the province's park system dangerously understaffed; there is now only one parks staff person for every nine parks. The Campbell government's removal of park interpretive programs make B.C. and Mississippi the only North American jurisdictions lacking such programs. As well, the B.C. government has promoted expansion of large-scale commercial development in B.C.'s parks, and has even approved logging in two of the province's flagship parks (Mt. Robson and Manning) in response to the mountain pine beetle epidemic.

Probably the greatest assault on the B.C. parks system came when the Campbell government took away 20% of the internationally renowned South Chilcotin Mountains Park in south west BC. This area had been a park proposal since 1937, it was finally declared a park in the spring of 2001. This is a tremendous loss for the citizens of British Columbia and Canada. The future of Lillooet Land Use Plan, the product of many years of hard work, is uncertain and some of the other hard fought land use plans in the province are similarly under attack.

Indeed, the only bright spot on the provincial horizon may be the final land use plans for B.C.'s central and northern coast, also known as the Great Bear Rainforest, which are now being negotiated between the province and First Nations in the region. The B.C. government has adopted as its mandate the consensus protection recommendations flowing from a multi-stakeholder process, which could ultimately see one third of the region protected from logging. As well, the government is considering approval of an innovative approach to conservation financing. However, the B.C. government has yet to indicate whether it will abide by the recommendation to implement ecosystem-based management in the region, which aims to protect ecological integrity while providing a basis for human well-being. We remain hopeful that there will be some positive decisions from the B.C. government and First Nations in 2005 for the Great Bear Rainforest, the world's largest remaining tract of unprotected coastal temperate rainforest.

Subsidies to forest companies and reduced environmental protections have enabled rapid and extensive logging of Mountain Pine Beetle infestations in BC's interior. Efforts are now refocusing on large-scale salvage logging, enabled by a 30% increase in the rate of cut. However, this cannot be sustained much beyond 5-10 years and will first exacerbate economic over-dependence on timber extraction by rural communities then drop them off an economic precipice as logging rates must fall dramatically after. The government has given no indication of its plans for these communities once that falldown is realized, nor has it made explicit the implications for the future productive capacity of the forests or ecological integrity.

Generally speaking, the BC government's approach to natural resource management is characterized as management at the maximum edge of sustainability, with no allowance for a precautionary approach. In the face of uncertain impacts of climate change, this approach puts the economic and ecological well-being of the entire province at risk. If the Mountain Pine Beetle infestation is any indication of what will start happening to our forests with climate change, B.C. needs to transform local economies to a new reality of reduced dependence on high volumes of resource extraction.

On marine biodiversity, the Campbell government continues as nation's biggest booster of expanding salmon aquaculture. There is no meaningful regulation. Existing farms are unable to adequately quantify threats related to disease outbreak (as witnessed in the Broughton pink salmon collapse) or threats related to escaped fish, fish food and waste discharge. Rather than increase the effective monitoring and enforcement of environmental laws, the government has actively discouraged prosecutions. The B.C. Fisheries Minister intervened to stop the prosecution of a fish farm guilty of allowing the escape of Atlantic salmon into wild BC waters, with the warning that prosecutions would send "conflicting messages" to an industry the government wishes to promote.

In their keenness to spur "results based" industrial development at all costs, the government also attempted to lift the moratorium on offshore oil and gas - a decision based on a highly criticized and rushed scientific review and disregarded widespread concern regarding appropriate scientific inquiry and public process.

The BC government is planning to double oil and gas production by 2011 with hopes that the oil and gas moratorium, presently on the BC coast, will be lifted. The BC government is funding pro oil and gas lobby groups to travel the province. To date there has been inadequate consideration of potential harm to marine animals by seismic blasting, or coastal damage from oil spills.

The significant loss of long time MP David Anderson as federal Environment Minister is particularly serious on the Pacific coast of Canada, as Anderson has taken a principled stand against the lifting of the moratorium on oil and gas exploration and development until the science is in place to sanction this action.

New federal Environment Minister Stéphane Dion has indicated he will be governed by the science on the offshore issue. His actions will be closely monitored in the interests of the wild waters and high biodiversity of the Queen Charlotte Islands Basin.

Coalbed methane development is proposed all over BC especially in the south east corner of the Kootenays. So far there has been inadequate environmental assessment and inadequate

consideration of the inevitable contamination of groundwater/freshwater. A recent auction of leases in south-eastern BC brought forth no offers.

The Campbell Government continues to subsidize mining exploration (to 65 cents on the dollar), and provides tens of millions of dollars annually as a road subsidy to oil and gas exploration.

Climate Change

2004 Grade: F

2003 Grade: F

2002 Grade: F

2001 Grade: B-

2000 Grade: C-

1999 Grade: D-

1998 Grade: D-

1997 Grade: C-

1996 Grade: D+

1995 Grade: C+

1994 Grade: C-

(not graded in 1993)

In 2001, the BC Government adopted a climate change “business plan” that would have tried to achieve significant reductions of greenhouse gas emissions and started the province down the road of a strategic change away from fossil fuels. The present government of Gordon Campbell has completely reneged on this commitment. Three and a half years after taking office, it still has no policies to address climate change. Yet, within eighteen months of taking office, the Campbell government produced an energy policy designed to encourage the maximum development of BC’s fossil fuel resources, including: a doubling of conventional natural gas production; developing coal reserves and encouraging coal-fired electricity generation; encouraging offshore oil and gas exploration and the lifting of the federal offshore moratorium; and the province-wide exploration for and development of coal-bed methane (CBM), including in the highly sensitive Flathead River watershed on the BC-US border, where a lease auction, fortunately, brought forth no offers.

The government of Gordon Campbell sided with Ralph Klein in opposing the Kyoto Protocol and has sought a pointless dispute with the federal government over the dubious creation of “carbon sinks” from clearcut logging operations.

The BC government has dismembered and partly privatized BC Hydro in order to encourage the private development generation for export and has offered subsidies and regulatory “streamlining” to ensure that fossil fuels will be favoured over renewable energies.

The government’s pressure to develop the B.C. coastline with off-shore oil and gas is a further sign that Campbell does not recognize the fossil fuel era is coming to an end. Risking fragile marine ecosystems by lifting the moratorium in order to burn more climate bending fossil fuels is unacceptable.

Energy efficiency measures, such as BC Hydro’s Power Smart, need to be encouraged and expanded.

Northwest Territories

Biodiversity

2004 Grade: B

2003 Grade: B-

2002 Grade: B

2001 Grade: B+

2000 Grade: C-

1999 Grade: C

1998 Grade: C

1997 Grade: C-

1996 Grade: D

(not graded 1993-1995)

The Government of the Northwest Territories (GNWT) and the Federal Government represented by the Department of Indian & Northern Affairs (DIAND) in partnership with First Nations and Environmental Non-Governmental Organizations (ENGOS) have

continued to make progress towards protected areas under the NWT Protected Areas Strategy (PAS).

An Action Plan to complete a network of protected areas in the Mackenzie Valley ahead of the proposed Mackenzie Valley pipeline, has been completed. The Action Plan has support from Aboriginal groups and the responsible federal and territorial ministers, but crucial government funding has not yet been secured.

Sahyoue/Edacho, a proposed National Historic Site located on Great Bear Lake, achieved interim protection in March 2001 and was acknowledged in last year's RIO Report card. This interim protection is in place until 2005, but the federal government has not made any progress in their commitment to permanently protect the areas. Sheila Copps, former Minister responsible for Parks Canada, traveled to the community of Deline in 2001 to celebrate the interim protection and then stated that Sahyoue/Edacho would eventually become part of the National Parks system. Parks Canada is now attempting to back away from that commitment. The final process of Sahyoue/Edacho is to take the sites to legislated permanent protection at the end of interim five-year periods.

Last year, the GNWT passed an amended Territorial Parks Act, creating new protective designations that will meet the goals of the NWT Protected Area Strategy (1999). The GNWT will require the cooperation of the Federal Government, who manages the land, in order to provide full sub-surface protection under the new designations.

Despite these positive efforts, the NWT remains under heavy development pressure. Diamond mining and oil and gas development, including the proposed Mackenzie Valley pipeline, all threaten large areas of wilderness.

Climate Change

2004 Grade: F

2003 Grade: C
2002 Grade: C
2001 Grade: F
2000 Grade: C+
1999 Grade: C-
1998 Grade: C
1997 Grade: C
1996 Grade: C-
1995 Grade: D
(not graded 1993-1994)

The Government of the Northwest Territories released its disappointing, if not to say cynical, Energy Strategy in July 2003. If implemented, the Strategy will result in staggering increases in greenhouse gas emissions in the Northwest Territories despite some greenwash in the text intended to disguise the GNWT's support for fossil fuel industrialization of the Mackenzie Valley and Delta.

The Energy Strategy intones that "development of our energy sources cannot occur at the expense of our natural environment." But the evidence is now overwhelming that rising temperatures in the NWT due to burning of fossil fuels worldwide is already melting permafrost, thinning Arctic sea ice, causing more and worse boreal forest fires, and allowing pests such as spruce budworm to invade NWT forests from the south. According to the four-year Arctic Climate Impact Study to be published in late 2004, climate change will soon make Arctic regions of the world nearly unrecognizable, dramatically disrupting traditional Inuit and other northern native peoples' way of life. Development of NWT oil and gas can only serve to worsen the impacts of global climate change in the North, as well as diminish sympathy in other parts of Canada and the world if and when climate change impacts become a catastrophe for the North.

In response to this looming ecological and cultural catastrophe, the Energy Strategy does not even commit the NWT to achieving Canada's emission reduction targets under the Kyoto Protocol, stating only that the "GNWT is committed to: Continuing to take action on

greenhouse gas emissions in support of Canada's international commitments on climate change." The Energy Strategy sets as a target the stabilization of per capita energy use at 2002 levels by 2010, but excludes industrial energy use from this calculation! Clearly it is the expansion of the oil and gas industry of the Northwest Territories triggered by construction of the proposed Mackenzie Gas Project that will generate huge increases in GHG emissions in the NWT, so the target is worthless. And even without the Mackenzie Gas Project, GHGs in the NWT increased from 1090 ktonnes in 1996 to 1547 ktonnes in 2004.

The Energy Strategy calls for "the development of a Mackenzie Valley natural gas pipeline that would allow the NWT to export its significant reserves of natural gas and, possibly, oil." However, much if not all of the one billion (at least) cubic feet per day of Mackenzie gas piped south will be used to separate and refine oil from the tar sands of Alberta. The greenhouse gas emissions resulting from the burning of this oil will increase Canada's overall GHG emissions by 70 megatonnes per year, or 12 per cent of our Kyoto target by 2010. This is the largest single expected increase in GHG emissions over this period and could well make it impossible for Canada to meet its Kyoto obligations.

What actions is the GNWT taking to reduce GHG emissions in the Northwest Territories? The Energy Conservation Program (ECP) provides financial assistance to government and non-profit organizations, to undertake capital projects that will result in long-term reductions in the usage of electricity and heat energy, and water. In 2003-04, this resulted in GHG emission reduction of 115 tonnes of CO₂ per year. The Renewable Energy Technology Conversion Assistance Program funded 36 small-scale renewable energy projects between 2001 and 2003 reducing GHG emissions by 439 tonnes of CO₂ per year. Other GNWT initiatives include the Arctic Energy Alliance, Borrow a Kill-A-Watt Meter and the Energy Information Centre.

While welcome, these programs represent miniscule reductions in GHG emissions in comparison to the gigantic emissions increases from fossil fuel industrialization that the GNWT so vigorously supports.

Yukon

Biodiversity

2004 Grade: D-

2003 Grade: D-

2002 Grade: C

2001 Grade: F

2000 Grade: C+

1999 Grade: C-

1998 Grade: C

1997 Grade: C

1996 Grade: C-

1995 Grade: D

(not graded 1993-1994)

With the exception of some good progress on the forestry front, the Yukon's commitment to protecting biodiversity is still inadequate. The Yukon Protected Areas Strategy is still on hold. Oil and gas exploration in the northern Yukon is proceeding prior to land use planning. There are active mining claims in Tombstone Territorial Park and it is still unclear how or if this issue will be resolved. Under the previous government, work had begun on Species at Risk legislation, including regulations for the protection of critical habitat. Under the current government, work on Species at Risk legislation has been shelved. The Department of Fisheries and Oceans' review of the Yukon Placer Authorization is being conducted behind closed doors, so there is no guarantee that a new regime will protect fish habitat from gold mining in streams any better than the old one. Land Use Planning is underway in three First Nation traditional territories, but the results have yet to be seen.

Some progress has been made with regard to forestry. Forest management planning is proceeding in three First Nation traditional territories, including the Kaska Traditional Territory (KTT) in the SE Yukon, where most of the merchantable forest is located. The forest management planning in the KTT has the potential to protect the ecologically unique La Biche watershed and the winter range of the Little Rancheria Caribou Herd from logging. Under a resource planning agreement between the Kaska FN and Yukon government, there

would also be the potential to protect these and other important areas from oil and gas and other developments, however the resource planning has not yet begun.

While there is potential from forest management and land use planning initiatives, none of them are yet complete. Sadly, for actual progress, Yukon still has to receive a D- for biodiversity.

Climate Change

2004 Grade: B-

2003 Grade: B-

2002 Grade: C

2001 Grade: B-

2000 Grade: C-

1999 Grade: C

1998 Grade: C

1997 Grade: C

1996 Grade: D

1995 Grade: D

(not graded 1993-1994)

The Yukon Territorial Government (YTG) has gone into a holding pattern on Climate Change. With no new initiatives this year, and tepid support of existing ones such as the Energy Solutions Centre and the wind energy generation program, the only Climate Change related programs YTG seems to be promoting is more oil and gas development. Combine that with unblinking support for any and all northern mega-pipeline projects and it seems as if the Yukon Government has decided to ignore Climate Change issues, at least for this past year.

Nunavut

Biodiversity

2004 Grade: D-

2003 Grade: D-

2002 Grade: B

2001 Grade: B-

Overall, the situation in Nunavut looks quite discouraging. Due to continuous government re-structuring (every 6 months it seems) there is little focus on environmental issues - they are still adjusting the infrastructure therefore not making any headway. There is NO protected areas program at all. Discussions about a Wildlife Act are still on-going.

One good thing is that since the election in June the Department of Minerals, Oil, Gas, Parks, Wildlife & Protected Areas has been broken up into two departments; one for parks, wildlife & protected areas and one for minerals, oil, gas.

Climate Change

2004 Grade: C-

2003 Grade: C-

2002 Grade: B+

In regards to climate change, aside for a few small research projects on climate change issues little has been done in this area.