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Nunavut and pollution pricing



Protecting the environment and growing the economy go together. In 2016, the federal government worked with provinces, territories, and with input from Indigenous Peoples, on Canada's first comprehensive climate action plan, which includes a stringent, fair and efficient price on carbon pollution.

As part of Canada's plan, provinces and territories had the flexibility to maintain or develop a carbon pollution pricing system that works for their circumstances, provided it meets the federal standard.

With the support of the Nunavut Government, the Government of Canada will apply the federal backstop in Nunavut.

Please contact the Nunavut Government for additional details.

Federal system highlights

The federal carbon pollution pricing system will be implemented in Nunavut under the federal Greenhouse Gas Pollution Pricing Act with the following features:

- For larger industrial facilities, an output-based pricing system for emissions-intensive trade-exposed (EITE) industries will start applying in July 2019. This will cover facilities emitting 50,000 tonnes of carbon dioxide equivalent (CO_{2e}) per year or more, with the ability for smaller EITE facilities that emit 10,000 tonnes of CO_{2e} per year or more to voluntarily opt-in to the system over time.
- A charge applied to fossil fuels, generally paid by registered distributors (fuel producers and distributors), as set out in the Greenhouse Gas Pollution Pricing Act, Part 1, will start applying in July 2019. Aviation gasoline and aviation turbo fuel will not be subject to a carbon pollution price (i.e., the fuel charge will apply to these fuels at a rate of \$0/litre). Information on targeted relief for rural and remote residents, farmers and fishers is available from Finance Canada.

Addressing territorial commitments in the Pan-Canadian Framework

The approach to pricing pollution in the territories takes into account their unique circumstances, including high costs of living and of energy, challenges with food security, and emerging economies.

In recognition of the unique circumstances of Nunavut and to support the implementation of the federal system in the territory, the Government of Canada has agreed to:

- Provide relief for fuels used for aviation in the territory - the fuel charge would apply to these fuels at a rate of \$0/litre.
- Provide fuel charge relief for diesel-fired electricity generation for remote communities.
- Implementation date in July 2019 to align with Northwest Territories.

Canada's clean growth investments in Nunavut

The Government of Canada's Low Carbon Economy Fund is reducing emissions and creating opportunities in Nunavut by providing over \$30 million to support projects that:

- Bring District Heating Systems to Sanikiluaq and Taloyoak that, reducing emissions and saving residents money on their heating bills.
- Modernizing Public Housing with energy efficiency measures that will save communities money.

Since 2016, the Government of Canada has allocated over \$6 million for investments in public transit projects, which is one way we are working to make sure public transit is available for all, ensuring that people can get where they need to go, quickly and safely while reducing pollution. It's part of the Government's Investing in Canada Plan.

In addition, the Government of Canada allocated more than \$200 million for investments in Green Infrastructure in Nunavut, for projects that reduce emissions, build resilience to the impacts of climate change or provide additional environmental benefits such as clean air and clean water. The Nunavut Government and Canada are working together to fund priority projects that will help reduce pollution and grow the economy.

The Northern REACHE program provided \$3.41 million to support 13 community-driven clean energy projects in remote and Indigenous communities. Among the projects was \$2 million for the expansion of a district heating system that will provide 70-85% of the heating requirements for an Aquatic Centre in Iqaluit, keeping the swimming pool heated all year round while using less fuel than traditional heating.

The impacts of climate change are being magnified in Canada's Arctic, where average temperature has increased at a rate of nearly three times the global average. They pose significant risks to communities, health and well-being, the economy, and the natural environment, especially in Canada's northern and coastal regions and for Indigenous Peoples.

The Climate Change and Health Adaptation Program will help Inuit communities adapt to the health impacts of climate change through community-designed and driven projects. Other initiatives, such as the Climate Change Preparedness in the North Program, provides support to assess the vulnerability of wastewater systems in Iqaluit and water quality monitoring, to make sure we protect clean water. The program will also provide increased access to knowledge about changing sea-ice conditions, to keep hunters and fishers safe in the changing winter conditions. These studies make sure that Nunavut is ready for the impacts of climate change and that northern Canadians will remain safe.

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