Pacific Institute for Climate Solutions

Insights Series: CleanBC Review

October 2025

A Pivotal Moment for B.C. Climate Action

Overview of the PICS Insight Series: CleanBC

Authors

Stephanie Cairns, Dylan Clark, Dr. Ian Mauro
Pacific Institute for Climate Solutions

Foreword

The Pacific Institute for Climate Solutions (PICS) was created in 2008 with an endowment from the Government of British Columbia to support evidence-based climate policy. This investment in our university-based network was groundbreaking and remains a core strength of the organization.

In fulfilment of PICS' mandate, this Insights Series elevates leading evidence at a pivotal moment for climate policy in B.C. Drawing on academic expertise from across the province, the series is designed to inform the 2025 independent review of CleanBC, British Columbia's plan to reduce greenhouse gas emissions and combat climate change.

When CleanBC was launched in 2018, climate action was a public and political priority. While concern about climate change remains widespread, it has increasingly been overshadowed by more immediate pressures, such as rising costs of living, strained public services, and growing geopolitical instability. Intensifying climate impacts exacerbate each of these challenges, which increases the complexity and opportunity for bold climate solutions. Now is not a time to retreat from ambition. Rather, it is a time for integrated solutions and public policy that unlock energy transformation, reduce climate risk, and increase prosperity at local, regional, and global scales.

The Insights Series highlights the deep connections between climate action and other top issues facing British Columbians: housing, affordability, economic competitiveness, Indigenous reconciliation, regional economic development, and fiscal efficiency.

B.C.'s climate leadership can be renewed—not by repeating the strategies of the past, but by evolving CleanBC to meet the realities of today.

Territory acknowledgement: At the University of Victoria, where the Pacific Institute for Climate Solutions (PICS) is hosted, we acknowledge and respect the Lək̓ʷəŋən (Songhees and Esquimalt) Peoples on whose territory the university stands, and the Lək̓ʷəŋən and W̱SÁNEĆ Peoples whose historical relationships with the land continue to this day.

PICS and its university network have campuses across the province known as British Columbia. We respect and acknowledge the many unceded traditional territories and Nations where PICS universities stand including: xʷməθkʷəy̓əm (Musqueam) • Sḵwx̱wú7mesh Úxwumixw (Squamish) • səl̓ilw̓ətaʔɬ (Tsleil-Waututh) • q̓íc̓əy̓ (Katzie) • kʷikʷəƛ̓əm (Kwikwetlem) • Qayqayt • Kwantlen • Semiahmoo • Tsawwassen • Stó:lō • Syilx (Okanagan) • Dakelh (Carrier) territory: Lheidli T'enneh, Lhtako, Nazko, Lhoosk'uz • ?Esdilagh, a Tsilhqot'in Nation • Dane-zaa territory: Doig River, Blueberry River, and Halfway River • Tsimshian territory: Kitsumkalum, Kitselas, Lax Kw'alaams, and Metlakatla • and Gitwinksihlkw, a Nisga'a Village.

Disclaimer: This paper was funded by the Pacific Institute for Climate Solutions (PICS). The views expressed in this paper are those of the author(s) and do not necessarily reflect the views or opinions of PICS.

British Columbia stands at a pivotal moment for climate policy., Households, businesses, and governments are facing mounting challenges from climate impacts and affordability pressures. *iStock*

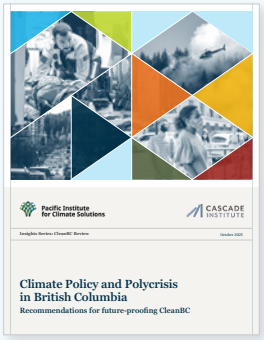
Executive summary

British Columbia stands at a pivotal moment for climate policy. As a climate policy leader for Canada and North America, the Province has demonstrated bold climate action over the years, including introducing broad-based carbon pricing; advancing electrification in vehicles, industries, and buildings; and updating building codes.

> *"PICS has worked with leading researchers across the province to highlight the critical issues and context shaping the future of climate action."*

These actions have achieved measurable results: declining per capita emissions; stronger industrial standards; and accelerated adoption of clean technologies. Yet, despite this progress, B.C. is off-track to meet its 2030 climate targets. Meanwhile, households, businesses, and governments are facing mounting challenges from climate impacts, affordability pressures, and global economic uncertainty. Over the past year, both the Government of Canada and Government of British Columbia have rolled back key climate policies and allowed incentive programs to sunset, weakening momentum at a critical juncture.

In response to the Government of B.C.'s review of CleanBC, the Pacific Institute for Climate Solutions (PICS) has worked with leading researchers across the province to highlight the critical issues and context shaping the future of climate action.



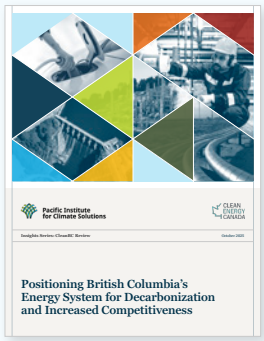
Paper 1

Paper 2

Paper 3

Paper 4

Paper 5



Paper 6

Paper 7

Paper 8

This Insights Series provides evidence-based analyses to inform that review, focusing on three dimensions central to B.C.'s future:

- rethinking climate policy in a complex and shifting world,
- investment, development, and competitiveness in the clean economy, and
- housing, affordability, and practical solutions for communities.

Renewing CleanBC is not only about reaching emission targets—it is about strengthening the province's economic competitiveness and advantage, reducing stresses on public services like health care and emergency management, and encouraging social cohesion in a time of accelerating change. Climate disasters have already cost B.C. billions of dollars, with wildfires, floods, and heat events reshaping lives, economies, and public services. These impacts are converging with other urgent pressures: high housing costs, strained health systems, and growing fiscal deficits. At the same time, Indigenous Nations are advancing climate leadership rooted in rights and stewardship, offering critical pathways for reconciliation and resilience.

B.C.'s clean electricity advantage provides a foundation for competitiveness in the global low-carbon economy and investments in new sectors, but fully realizing this potential requires changes to energy planning and policy. This path to a climate-aligned energy system should support First Nations rights, ownership, and equity participation. The rising cost of living is a significant barrier to the adoption of clean technologies by households, underscoring the need for policies that prioritize affordability while simultaneously cutting emissions.

The eight papers in this Insights Series address different aspects to reorienting the overall framework of B.C. climate policy. Four underlying themes stand out:

- **Cross-portfolio governance:** Link climate policy directly to economic development, energy, housing, health, and affordability initiatives.
- **Multi-level governance:** Tailor policies to regional contexts and strengthen partnerships between provincial, regional, and Indigenous orders of government.
- **Reframing climate action:** Pair emission targets with tangible markers of progress and emphasize the integrated benefits for other priorities.
- **Adaptive management:** Design flexible policies that can withstand shocks, build confidence, and prepare B.C. for tomorrow's economy.

Getting this right means CleanBC will not just reduce emissions, but also build resilience, improve affordability, and strengthen prosperity for generations to come.

British Columbians are concerned about pressing health, social, economic, and geopolitical issues that threaten immediate well-being. *iStock*

PICS and meeting the moment

The Pacific Institute for Climate Solutions (PICS) was created in 2008 with an endowment from the Government of British Columbia to support evidence-based climate policy. This investment in our network of researchers at B.C. universities was groundbreaking and remains a core strength of the organization. In fulfilment of PICS' mandate, this Insights Series elevates leading evidence at a pivotal moment for climate policy in B.C.

> *"Effective climate policy must deliver not only emissions targets but also long-term economic, social, and environmental well-being.."*

Papers in this series provide critical context for shaping effective climate policy that meets this moment. These papers also demonstrate that PICS is here to support decision makers and British Columbians.

1. Why this Insight Series focuses on the future of CleanBC

Climate policy is constantly evolving. It began with a narrow emphasis on cutting emissions, then expanded in the 2010s to embrace clean growth, framing climate action as a driver of innovation and economic opportunities. As climate hazards increasingly affected the safety, health, and livelihoods of more people, focus evolved again to include adaptation and resilience. Today, effective climate policy must deliver not only emissions targets but also long-term economic, social, and environmental well-being.

Pedestrians watch as a forest fire flares up in the hills above Penticton in August 2021. *iStock*

CleanBC was widely recognized as one of the most ambitious emission reduction frameworks in North America when it was launched as the Province's flagship climate plan in 2018. Today, the question is: how do leaders build on the strength of CleanBC in a manner that addresses gaps in the original policy framework, maintains public support, and sets a bold agenda for provincial climate action? Strategies must cut greenhouse gas emissions and manage climate risks, capture economic opportunities that sustain livelihoods, and build the trust needed for lasting climate leadership in B.C. Integrated strategies are essential to navigating the future.

This Insights Series highlights the deep connections between taking climate action and other top issues facing British Columbians: housing, affordability, competitiveness, reconciliation, regional development, and fiscal efficiency. Renewed climate leadership depends on evolving CleanBC for today's realities, not repeating solutions designed for another era.

2. The context for climate policy in 2025

The realities of today are far from the world where CleanBC first took root. Beyond the challenge of decarbonizing a growing economy, governments face economic turbulence from volatile U.S. tariffs, rising public debt and deficits, and mounting strain on public services like health care and emergency management. Landmark decisions on Indigenous rights and title, alongside political and public acknowledgement of the obligations to Indigenous reconciliation and awareness of persistent inequalities, are reshaping priorities and decision making. Tariffs and trade policy dynamics are creating uncertainty for export-dependent resource communities and businesses, forcing them to reorient and diversify at a time when government capacity to invest is limited. At the household scale, individuals are grappling with economic hardship due to recent inflation, high housing and food costs, and weakening job security. Many of these pressures interact, amplify each other, and require a rethink of our approach to climate policy.

> *"With the right investments, B.C. can build a future that is safer, more affordable for families, and more secure in meeting people's needs."*

Efforts to decarbonize the economy and respond to more frequent climate disasters are colliding with economic and social challenges. Leaders face genuine fiscal constraints and competing priorities. How well today's policies provide integrated responses to pressing priorities will determine whether these pressures reach either a breaking or inflection point. With the right investments, B.C. can build a future that is safer, more affordable for families, and more secure in meeting people's needs.

A time of polycrisis and risks, compounded by climate impacts

Climate policy and action must consider integrated responses to the diverse, competing, and interconnected risks that create emergent harms to the ecological, political, social, and economic systems that underpin safety and security in the world. This convergence—often described as a "polycrisis"—is already shaping life in B.C. Key pressures include:

- Ongoing trade conflicts and erratic tariffs from B.C.'s largest trading partner, the United States, are disrupting markets and creating uncertainty for governments, businesses, communities, and households. (More than half of B.C.'s

goods exports in 2023 were to the U.S.) This uncertainty is weighing on consumers and businesses. Forest, energy, and mineral and metal resource exports are particularly exposed, while machinery and equipment, agriculture and food, and energy products are most affected imports.[1] The scale of these risks has pushed economic diversification, industry support, and major project development to the forefront of provincial and federal agendas.

» The Government of B.C. is projecting a record deficit as high as $12 billion in 2025/26, pushing the provincial debt to more than $155 billion and the debt-to-GDP ratio at 26.6 per cent this year.[2] In part, the shortfall reflects lost net revenue from the carbon tax ($2.06 billion), and higher-than-expected fire management costs ($613 million). Increased spending needs for climate change impacts are noted as among the risks to this economic outlook.

» Public services are under stress. For instance, B.C.'s health care system is contending with staffing shortages, aging infrastructure, an aging patient population, the toxic drug emergency, and lingering effects of COVID-19. Climate change exacerbates these burdens, multiplies pressures on a system with little flexibility to manage additional shocks, and disproportionately affects B.C.'s most vulnerable populations.[3] For example, wildfire seasons have been associated with a 4.6 per cent increase in respiratory emergency complaints at Vancouver emergency departments.[4] The 2021 heat dome in B.C. resulted in more than 600 deaths, causing cascading pressures on emergency services, ambulance dispatch, and acute care facilities.[3] Transportation blockages during floods and atmospheric rivers have delayed patient transfers and strained hospital logistics. Each event not only increases immediate demand but also increases risk of burnout among health care workers.

» Recent climate disasters have cost taxpayers and businesses billions of dollars. The unprecedented trio of extreme events in 2021—the heat dome, wildfires, and flooding—cost B.C.'s economy nearly $20 billion in damages and lost output, roughly six per cent of provincial GDP.[5, 6] Two years later, the worst wildfire season on record forced mass evacuations, shut down major highways and supply routes, and destroyed more than 460 homes and businesses with more than $720 million in insured losses.[7] Wildfire management that year cost the Government of B.C. $1.1 billion, about $400 million more than was budgeted.[8, 9] Spending on wildfire management continues to exceed planned budgets, with $851 million forecast 2025/26, $613 million more than had been budgeted.[2]

FIG 1: ECONOMIC COST OF B.C.'S RECENT CLIMATE DISASTERS

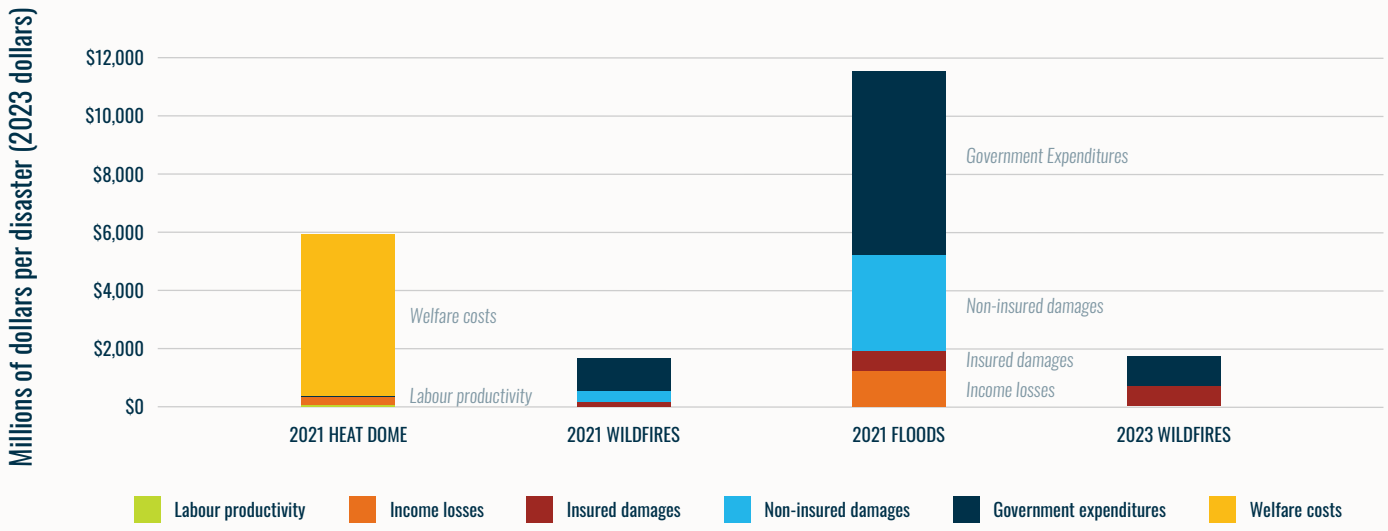


Figure 1. Data has been aggregated from Canadian Disaster Database;[10] Canadian Centre for Policy Alternatives;5 and the Canadian Climate Institute.[6]

Indigenous leadership, partnerships, and reconciliation

Indigenous Peoples in B.C. often experience climate change in ways that are more acute than settler populations. Many Indigenous communities face inadequate housing, infrastructure gaps, and poorer health outcomes compared to the provincial average. Emergency response and recovery systems have often sidelined Indigenous priorities and governance. Without stronger investment in prevention and resilience, the fiscal burden of disaster for Indigenous communities will only grow. Yet First Nations are climate leaders on multiple fronts, including with intergenerational knowledges of ecosystem and management, fire stewardship, and community resilience. Today, Nations are integral partners in B.C.'s clean energy transition. Indigenous leadership, partnerships, and opportunities for reconciliation are paramount for successful climate action in B.C.

- Indigenous self-determination and the inherent right to self-government, repeatedly confirmed in Canadian courts, have fundamentally shifted the context for decisions on how lands and resources within First Nations territories are being developed and controlled. This shift was re-enforced by the Government of British Columbia's Declaration on the Rights of Indigenous Peoples Act (DRIPA) in 2019. Concurrently, the Calls to Action of the Truth and Reconciliation Commission have elevated public and political acknowledgement of the responsibility to uphold the social, cultural, and economic well-being priorities of First Nations.

First Nations are climate leaders on multiple fronts. *iStock*

- Climate action requires supporting Indigenous authority in decision making and investing in action rooted in Indigenous values and First Nations rights within their territories. The First Nations Leadership Council (FNLC) developed the B.C. First Nations Climate Strategy and Action Plan as a direct response to CleanBC's inadequate inclusion of First Nations' perspectives, leadership, and considerations. The strategy takes a rights-based and collaborative approach to supporting climate response and preparedness, capacity and leadership, and land and water protection. It combines emission reduction and resilience building as shared pathways of implementation and is designed to uplift and support Nations that face disproportionate climate impacts.

- First Nations are taking leadership and ownership in the generation, transmission, and distribution of clean energy at both provincial and community scales. These initiatives support energy independence and energy security, reduce energy poverty, and create private investment and job creation in First Nation communities. Indigenous equity ownership has been central to the approval of recent large-scale renewable energy projects, advancing economic reconciliation alongside the expansion of affordable clean power supply to the benefit of the whole province.

> *"Climate action requires supporting Indigenous authority in decision making and investing in action rooted in Indigenous values and rights within their territories."*

A time of economic turbulence and transition

British Columbia's economy is experiencing turbulence and transition due to both global and local factors. Global pressures include shifting U.S. trade policies, broader geopolitical instability affecting markets and trade flows, and climate change impacts that disrupt lives, supply chains, and productive capital. Locally, high living costs and declining standards of living are constraining labour supply, one of several factors making the province less attractive for business investment. These pressures raise uncertainty for sectors that

have long anchored the provincial economy. At the same time, B.C. is entering a profound energy transition, as electrification policies drive a shift away from fossil fuels to meet domestic demand and achieve decarbonization targets.

- B.C.'s economy is deeply interconnected with global markets. Exports of agriculture, fisheries, and forestry products, minerals and metals, along with tourism, form a large share of provincial GDP, jobs, and employment income. This dependence makes communities and workers vulnerable to shifting U.S. trade policies and volatile commodity cycles. Meanwhile, the long-running softwood lumber dispute continues, with U.S. tariffs adding billions to the price of B.C.'s forestry exports, undercutting competitiveness.[11, 12]

- Climate extremes are disrupting supply chains and affecting timber, agriculture, and fisheries harvests. Livelihoods in resource-based rural communities are particularly affected. The forestry sector has been hit hard. Timber harvests fell to 38.9 million cubic metres in 2023—the lowest in at least 15 years—as logging operations were curtailed by fires, drought, the impacts of long-term mountain pine beetle infestation, and long-term fibre shortages.[13, 14] Mill closures followed, with hundreds of workers losing jobs that year.[14] The impacts of climate extremes are not limited to the resource sector. The tourism industry, for example, was estimated to have lost hundreds of millions of dollars due to wildfires in 2023—a roughly five per cent reduction in tourism GDP.[15, 16]

- B.C.'s clean, affordable power resources offer significant opportunities to strengthen resilience and competitiveness in the global clean economy. Electrifying end uses, such as heating and transportation, will enhance energy security by reducing reliance on imported fuels. With 97 per cent of its electricity generated from clean, renewable sources, the province already holds a structural advantage in attracting low-carbon industries and supporting existing ones to remain competitive in a world increasingly prioritizing low-carbon goods and services.[17] For example, in 2023 a global battery manufacturer announced plans to build a $1.05-billion electric vehicle battery plant in Maple Ridge. Western Canada's first such facility of this scale, it is expected to create about 450 jobs and showcase how clean, affordable power can draw large-scale investment.[18] New industrial electricity demand totaling around 7,000 megawatts is also queued, with proposals spanning hydrogen production, critical mineral processing, and clean technology ventures.[19] The Province's plan to double clean electricity supply by 2050 aims to build on this advantage.[20] It seeks to meet growing demand for affordable, reliable, and clean energy, advance economic reconciliation through partnerships with First Nations, and overall reinforce energy security and resilience.

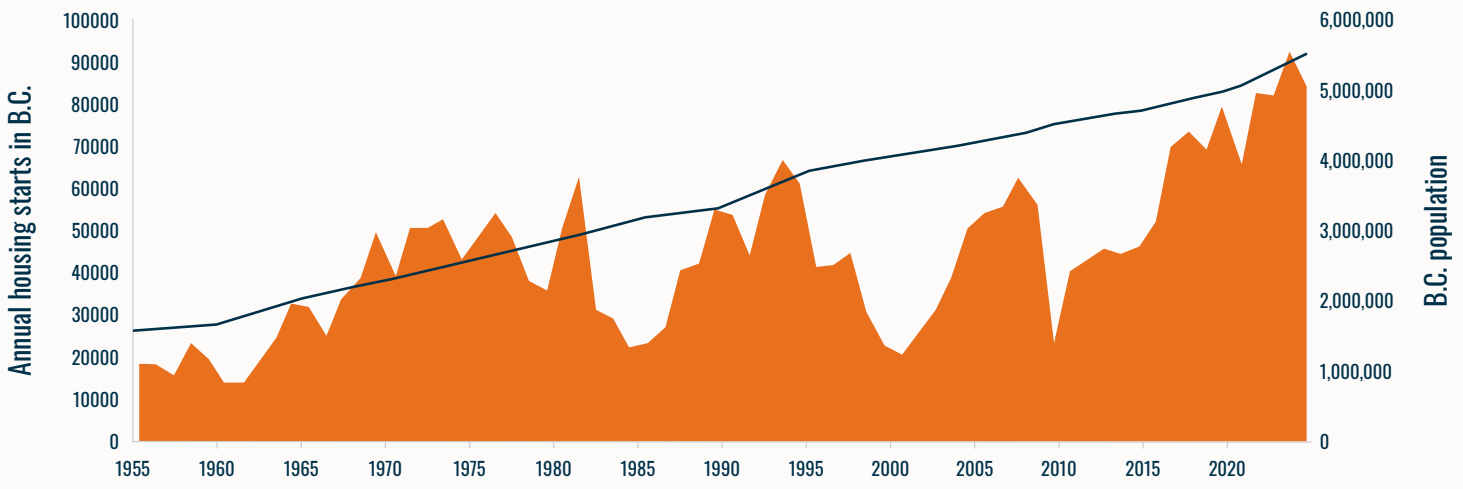
> *"B.C.'s clean, affordable power resources offer significant opportunities to strengthen resilience and competitiveness in the global clean economy."*

A time of household stress but continued climate concern

Durable policy must align with the shifting voter priorities. Over the past few years, the rising cost of living, reflected in a 20 per cent increase in the Consumer Price Index (CPI), has created a crisis for many B.C. households.[21] As a result, affordability and housing have moved to the forefront of public and political priorities.[22]

- Housing costs in B.C. remain among the highest in Canada, with many households—renters and owners alike—spending more than 30 per cent of their income on shelter.[23] Home ownership is financially out of reach for many, and many residents are being forced into precarious rentals, long commutes, or overcrowded conditions, underscoring the urgency of the issue. To address the housing crisis, the Province has set aggressive five- and ten- year targets to create 114,000 new housing units under the B.C. Homes for People Action Plan.[24] These targets will generate a surge in construction that will define the building stock for decades to come, in an era of rising climate risks and rapid change in low-carbon household technologies. At the same time, households are facing mounting pressures from insurance costs, energy bills, and the challenge of retrofitting aging buildings. Choices made in this moment will determine not

FIG 2: B.C.'S NEW HOME BUILDS



New homes are being built at record rates. Housing starts data is from Statistics Canada.[25] Population estimates are from the Government of British Columbia.[26]

only housing supply and affordability, but also long-term emissions, household costs, community resilience, and overall well-being for generations.

» Energy affordability is another dimension of the cost of living. An estimated four to 16 per cent of British Columbians live in energy poverty, with disproportionate energy poverty in Indigenous households.[27] The high cost of living is a key barrier to the adoption of the cost-saving household technologies that are also key to reducing emissions. Technologies such as electric vehicles, e-bikes, heat pumps, energy efficiency retrofits, solar panels and batteries can reduce monthly bills and improve year-round comfort, but come with upfront costs that make them out of reach for otherwise-motivated households, even with rebate programs.[28] Lower-income households, who would most benefits from the potential reductions to household energy wallets, have the least capacity to make these capital investments.

» While these immediate concerns have pushed climate action off the list of top priorities, there continues to be strong support across the political spectrum of voters for making climate change a government priority. Polling after the 2024 provincial election found that 86 per cent of B.C. voters want the Government of B.C. to make addressing climate change a very high, high, or medium priority, and seventy-two per cent of B.C. Conservative voters believe climate change should be at least a medium priority.[29]

3. The need for a broader and more integrated lens for climate policy

CleanBC achievements

B.C has long been an early adopter and climate policy leader for Canada and even North America. It was the first to roll out a broad-based carbon tax, followed by standards and incentives for electrification, fuel-switching, and energy efficiency in the transportation, industry and buildings sectors. It has also spurred natural carbon sequestration programs for forests, wetlands, and agricultural lands, and supported green innovation.

The investment of $3.5 billion of public funds in CleanBC since 2018 has led to meaningful outcomes. By 2022, the net greenhouse gas intensity of the economy had fallen by 30.5 per cent compared to 2007 levels and the net greenhouse gas emissions per person had decreased by 21.6 per cent. Industrial emissions fell by 11 per cent; methane emissions from the oil and gas sector fell by 45 per cent; and building

Downtown Vancouver traffic congestion. *iStock*

and communities' emissions fell by six per cent.[30] These are substantive achievements.

Yet, despite this progress, net emission reductions are falling well short of the core goals set for CleanBC: to reduce emissions by 40 per cent from a 2007 baseline by 2030 and net-zero by 2050. Economic and population growth since 2007 have nearly cancelled out the substantial reductions in emissions. B.C. will not hit its 2025 emissions target of 16 per cent below 2007 levels—there has been only a 2.2 per cent reduction. While some policies will have long-term payoff without additional policy action, such as the B.C. Energy Step Code for new construction, emission reductions will likely continue to be overshadowed by rising emissions from transportation and large new industrial projects, particularly liquified natural gas megaprojects. Indeed, the government has acknowledged that "the current policy landscape does not put the Province on track to meet its 2030 targets" of 40 per cent below 2007 levels, with 2030 emissions reductions are projected to achieve only half that target.[30]

Addressing CleanBC's shortcomings

The gap between ambition and reality is widening, and instead of continued momentum, the past year has brought setbacks. Climate commitments have been weakened at the federal and provincial policy levels. The consumer carbon tax has been removed, EV and Greener Homes incentives have been phased out, and the federal EV sales mandate has been paused. Meanwhile, oil and gas expansion—including LNG facilities—continues to receive support, with mixed signals on whether the proposed federal cap-and-trade system to limit emissions will move forward. Together, these actions signal a loss of direction at a time when implementation must match ambition.

A clear-eyed consideration of the shortcomings in CleanBC's plans which may have contributed to this weakening momentum is essential for renewing CleanBC to be more durable. Several common threads emerge from the eight Insight Series papers by independent sets of authors:

- **Cross-portfolio governance** is required to manage complexity and deliver integrated benefits across B.C.'s many policy priorities. This requires both policy and governance innovation. Climate action is intimately connected to economic diversification and development; certainty for investors; energy security and market transformation; reconciliation; resilience of the health care system; and household affordability and climate readiness. It cannot work in a silo, nor can it be designed as a top-down framework addressing one single problem, especially during a time of fiscal constraint. This is particularly evident in the challenge of simultaneously growing B.C.'s economy while decarbonizing it, and the goal of doubling the electricity grid's capacity. Moreover, integration across policy priorities and melding the value of climate action to other priorities will help grow social license and broaden coalitions to maintain the momentum for bold action.

- **Multi-level governance** is also key to providing place-based awareness, flexibility, and leadership that respects the unique assets, vulnerabilities, and opportunities of communities and Nations across B.C. For example, the "one size fits all" approach of the EV sales mandate has been perceived as disconnected from the daily realities of charging infrastructure, repair, and operating conditions in rural regions. Multi-level governance includes supporting rights-based and collaborative approaches to Indigenous climate action, as well as supporting resource-dependent and remote regions to develop participatory transition management frameworks to proactively plan for industrial transformation, phase-out, and diversification.

- **Reframing climate action** around the issues that matter most to British Columbians—well-being and livelihoods, affordability, safety, and health—will make climate policy relevant, empowering, hopeful, and equitable. This goes

beyond mere communication. It involves pairing high-level emission goals with tangible and relatable markers of progress for B.C. residents and giving higher profile to the integrated benefits of climate action. Additionally, it includes more targeted actions to improve energy affordability by making clean technologies accessible to more households. Finally, carefully chosen and designed policies should achieve greater emissions impact with less public investment, while also providing broader social benefits and the ability to drive lasting change.

» **Build flexibility, continuous learning, and nimble action into policy from the start**. Governments will always face colliding priorities and be rocked by sudden events. These conditions of polycrisis and uncertainty require adaptive management and keeping options open to maximize policy robustness and results through an ill-defined future. This involves moving from a target-oriented to an action-oriented approach to climate policy, considering political and technical viability under circumstances that are bound to change, and avoiding a rigid planning trap. This approach should not dilute climate action; instead, it should enable quick action to fill the solution space.

Broadening the frame: themes covered in the PICS Insight Series

The PICS Insight Series offers approaches to addressing some of these shortcomings. Three papers discuss cross-cutting approaches to reorient the overall framework of B.C. climate policy to better reflect and respond to the complex challenges and priorities of three groups: a provincial government managing multiple crises, a B.C. public increasingly disengaged with climate action, and Indigenous communities taking a rights-based and collaborative approach to climate action.

Three other papers address economic dimensions of the transition: maximizing the benefits of public investments in a time of fiscal constraint, using regional development as a tool to bring place-based flexibility into climate policy, and reforming the planning and regulation of a decarbonized B.C.'s energy system to turn it into a driver for future competitiveness.

Two final papers outline proposals to align B.C.'s housing strategy with its climate commitments, and to make clean household technologies more affordable and accessible.

People wear masks during the COVID pandemic. Climate is deeply interconnected with simultaneous crises. *iStock*

Rethinking climate policy in a complex world.

Paper 1, **Climate Policy and the Polycrisis**, argues that climate is deeply interconnected with multiple other crises. Trigger events, such as the pandemic, heat domes, and wildfires, collide with ever-intensifying stresses, including climate change, overstretched healthcare systems, cost of living pressures, increasing socio economic inequality, fiscal pressures, and deepening political divides. These interact and amplify each other, complicating efforts to address them individually. As the largest and most influential of these stresses, climate change will define the era, multiplying the impacts of other stressors. The paper looks at how governments deal with overlapping crises to identify ways to better prepare the CleanBC framework for the future. The paper suggests climate policy be designed around cross-sector synergies, flexible decision making, and continuous learning. These integrated approaches will be key to build broad coalitions that can defend the policy framework against potential political retrenchment.

> *"As the largest and most influential of current crises, climate change will define the era, multiplying the impacts of other stressors."*

Paper 2, **People First, Climate Forward**, examines the evolving political context for climate action. While climate change remains a pressing concern, it has been overshadowed by more immediate pressures including the rising costs of living,

Solar panels set up over a public parking lot in Greater Vancouver. *iStock*

strained public services, and growing geopolitical instability. Fiscal constraints have tightened, public trust has frayed, and polarization around climate policy has intensified. Climate misinformation and disinformation are spreading, targeting disengaged voters with emotionally charged stories that portray climate action as unfair, ineffective, or elite-driven. The paper shows that B.C.'s climate action, though firmly grounded in science, is leaving parts of the electorate feeling left out and disconnected. Consequently, ambitious climate action may be losing its social licence and feeding polarization. To shift public engagement from passive concern to active support, climate policy should centre less on the emissions narrative, and more on the integrated, tangible benefits which support the immediate concerns of British Columbians. This will also entail moving away from one-size-fits-all approaches by designing flexible, place-based policies that reflect the unique needs, opportunities, and values of different communities.

> *"B.C.'s climate action, though firmly grounded in science, is leaving parts of the electorate feeling left out and disconnected."*

The third paper, **Indigenous Governance and Authority in Climate Action**, delves into how CleanBC can better align with Indigenous legal authorities, the United Declaration on the Rights of Indigenous Peoples (UNDRIP), and the B.C. First Nations Climate Strategy and Action Plan. The authors critique CleanBC's carbon centric perspective and its vision of a green economy that largely upholds a system premised on the physical and jurisdictional dispossession of Indigenous Peoples. For Indigenous communities, climate resilience is deeply entwined with healthy territories and Indigenous self-determination. This is expressed in the B.C. First Nations Climate Strategy and Action Plan developed in 2022 by the First Nations Leadership Council. This plan takes a rights-based and collaborative approach to supporting climate response and preparedness, capacity, and leadership, and land and water protection. The paper identifies six areas where CleanBC could amplify Indigenous governance, self-determining authority, and priorities set out in the Action Plan: land use planning, coastal protection, food sovereignty, energy systems, emergency response structures, and project financing. Additionally, it identifies an important opportunity for CleanBC activities to amplify the extensive experience of ecosystem-based collaborative governance already underway in B.C.

Investment, development, and competitiveness

Paper 4, **Maximizing Public Funds**, addresses B.C.'s current period of financial constraint. As pressures mount from many sides and the forecasted 2025-26 budget deficit approaches $12 billion, climate policy risks being pushed to the back burner. Yet, treating climate action as discretionary during difficult times simply pushes greater costs down the road and ignores its structural role in long-term economic resilience. In this context, making prudent use of today's public dollars by considering the cost-effectiveness and fiscal efficiency of climate policy choices is more critical than ever. This analysis reveals how different policy instruments vary widely in their cost-effectiveness and fiscal efficiency. By carefully choosing and designing policies, greater emissions impact can be achieved with less expenditure, and government climate investments can also consider broader benefits, behavioural impacts, and the ability to drive lasting change. Flexible regulations that shift costs within regulated markets, transparent carbon pricing that raises useful revenue, and well-targeted incentives all play distinct roles in a fiscally prudent climate strategy. A forward-looking policy mix must also consider long-term dynamics, such as how infrastructure shapes future behaviour, how innovation lowers future costs, and how policy interactions can amplify or undercut impact.

Paper 5, **Climate Policy as Territorial Development**, considers how B.C. climate policies could better reflect the uneven regional impacts of GHG emissions and climate risks.

Climate policies inherently reshape regional economies, alter patterns of investment and employment patterns, and transform territorial relationships. Resource-dependent and remote regions face higher compliance costs, limited diversification opportunities, and greater exposure to economic and climate shocks. In contrast, urban and service-oriented regions are better positioned to benefit from the low-carbon transition. This makes climate policies fundamentally territorial development policies, regardless of their stated primary purpose. If these policies fail to address the unique realities and historical marginalization of peripheral, resource-dependent regions, they will perpetuate existing patterns of injustice. Drawing from European Union policy, the paper proposes a framework to bring regional development considerations into more place-based flexibility for B.C. climate policy. Territorial cohesion supports place-based policy design, inclusive governance, and participatory planning to reduce regional disparities in economic, social, and environmental outcomes. Territorial competitiveness focuses on the economic advantages of regions, enhancing their specific economic strengths, supporting sectoral transformation, and investing in innovation. By integrating these approaches, climate policy can be reoriented to more explicitly address the unique assets, vulnerabilities, and opportunities of diverse regions making up the province.

Revelstoke Canyon Dam on the Columbia River. *iStock*

> *"The ability to provide a reliable supply of clean electricity will be pivotal in attracting investments in new sectors and supporting existing ones to remain competitive."*

Paper 6, **Positioning British Columbia's Energy System for Decarbonization and Increased Competitiveness** emphasizes the urgent need to align B.C.'s net-zero goals, electricity system strategy, and energy planning, and it helps us to think through the province's challenge of simultaneously growing its economy while decarbonizing it. While B.C. benefits from a clean electricity grid, approximately 63 per cent of its total energy use in 2021 came from refined petroleum products or natural gas. These fuels must be replaced with non-emitting energy sources to achieve the provincial target of net-zero emissions by 2050. While plans to double the electricity grid's capacity by 2050 have begun, the ability to provide certainty about the reliable supply of clean electricity will be pivotal in attracting investments in new sectors and supporting existing ones to remain competitive in a world increasingly prioritizing low-carbon goods and services. This requires new tools, such as an integrated energy plan, processes for integrated utility planning, regulatory reforms to modernize the energy system, and diversification of B.C.'s supply of clean, reliable, and affordable electricity. Additionally, B.C.'s path to a climate-aligned energy system should support First Nations rights, ownership, and equity participation, and improve energy affordability by maintaining incentives and streamlining the consumer experience in adopting clean technology.

Housing, affordability, and practical solutions

Paper 7, **Sustainable and Affordable Housing**, highlights the critical intersections between housing and climate policy and identifies opportunities for aligning B.C.'s housing strategy with its climate commitments. While CleanBC targets a 59 to 64 per cent reduction in residential and community emissions by 2030, residential sector emissions have slightly risen since 2018. The design of homes and neighbourhoods, and what energy they use, will determine whether future targets are met. Opportunities include scaling low-carbon and circular construction, mobilizing the forest sector and bio-based products, and building in the flexibility to integrate emerging technologies like solar, electric vehicle (EV) charging, and energy

storage. Recent housing reforms, such as small-scale multi-unit zoning and transit-oriented area frameworks, can also support more sustainable growth if paired with resilience standards and sited to avoid hazards. Jumpstarting these opportunities will require key policy shifts, including aligning building codes and financing, skills training, and removal of interprovincial trade barriers. Roadmaps for collaboration and sharing of performance data to create accountability and continuous improvement are also needed.

Households are on the front lines of both climate change and the affordability crisis. Energy use in homes not only drives monthly costs but also contributes nearly a quarter of provincial emissions. Paper 8 in the Insights Series—**Pathways to Accelerating Household Clean Technology Adoption across British Columbia**—draws on research in Metro Vancouver to better understand how households adopt clean technologies and the barriers they face. The paper focuses on three key areas: transportation (electric vehicles and home charging), home heating and cooling (heat pumps, electric water heaters, smart thermostats), and renewable energy generation and storage (rooftop solar and household batteries). Households reported similar challenges across all three: high upfront costs, limited control over upgrades for renters and residents of multi-unit buildings, knowledge gaps, and the need for expensive electrical upgrades. To overcome these barriers, the paper proposes targeted actions the Government of B.C. could take to make clean technologies more affordable and accessible—supporting households in lowering their costs while helping the province advance toward its climate goals.

Condominium construction in suburban Vancouver. *iStock*

4. Conclusion: setting the stage for CleanBC's renewal

In the years since CleanBC began, B.C. has endured record wildfires, floods, and heat events, claiming hundreds of lives and costing taxpayers billions. These events are a stark reminder of what is at stake as we collectively consider the future of climate policy in British Columbia. Climate impacts will only intensify in the years ahead.

By renewing CleanBC, British Columbia can attract investment, unlock new economic opportunities, and strengthen its position as a climate leader. CleanBC 2.0 must reflect today's more complex, climate-risked, and unaffordable world, while embedding a deep commitment to regional equity and Indigenous reconciliation. By providing direct and tangible benefits to households, businesses, communities, and Nations across B.C., a renewed CleanBC can show that climate action is about more than emission reductions; it is about driving regional economic development, reducing the strain on public services, and supporting health and prosperity for current and future generations of British Columbians. When investment and competitiveness translate into better daily lives, CleanBC becomes a policy that truly serves British Columbians.

> *"CleanBC 2.0 must reflect today's more complex, climate-risked, and unaffordable world, while embedding a deep commitment to regional equity and Indigenous reconciliation."*

Leaders in British Columbia face a responsibility: to see the complexity of overlapping risks clearly, and to help navigate the turbulence of today and tomorrow. Indeed, the test of leadership today is to comprehend the multiple stressors on interconnected social, environmental, and economic systems and systematically respond to ensure B.C. can withstand shocks, create a more resilient society, and grow a green economy. Given our access to talent, favorable geography, and deep experience in advancing ambitious climate policy and action, British Columbia is well positioned to do this. CleanBC can be renewed in a manner that uplifts citizens and creates cohesion around a shared purpose of safeguarding and supporting communities, Nations, and natural world that sustains us.

References

1 Ministry of Finance. Budget and Fiscal Plan 2025/26–2027/28 [Internet]. Victoria (BC): Government of British Columbia; 2025 Feb 20 [cited 2025 Oct 1]. Available from: https://www.bcbudget.gov.bc.ca/2025/pdf/2025_budget_and_fiscal_plan.pdf

2 Ministry of Finance. 2025/26 First Quarterly Report [Internet]. Victoria (BC): Government of British Columbia; 2025 Sep 15 [cited 2025 Oct 1]. Available from: https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/government-finances/quarterly-reports/2025-26_first_quarterly_sept_2025_web_secured_f9e4ab62-584b-4902-b450-b924182d7fb8.pdf

3 Clark DG, Liang KE, Cheng I, Ford JD, Gossack-Keenan K. Climate disaster effects on acute health care: a case study and model of the 2021 heatwave in British Columbia, Canada. Lancet Planet Health. 2025 May 1;9(5):e356-63. https://doi.org/10.1016/S2542-5196(25)00075-0

4 Douglas-Vail M, Jiang A, Erdelyi S, Brubacher JR, Abu-Laban RB. Association of air quality during forest fire season with respiratory emergency department visits in Vancouver, British Columbia. J Clim Change Health. 2023 Sep 1;13:100255

5 Lee M, Parfitt B. A Climate Reckoning: The economic costs of BC's extreme weather in 2021 [Internet]. Vancouver (BC): Canadian Centre for Policy Alternatives—BC; 2022 Nov [cited 2025 Oct 1]. Available from: https://www.policyalternatives.ca/wp-content/uploads/attachments/ccpa-bc_Climate-Reckoning_web.pdf

6 Beugin D, Clark D, Miller S, Ness R, Pelai R, Wale J. The case for adapting to extreme heat. Costs of the 2021 BC heat wave [Internet]. Canadian Climate Institute; 2023 Jun. Available from: https://climateinstitute.ca/wp-content/uploads/2023/06/The-case-for-adapting-to-extreme-heat-costs-of-the-BC-heat-wave.pdf

7 Insurance Bureau of Canada. Okanagan and Shuswap area wildfires cause over $720 million in insured damage [Internet]. Vancouver: IBC; 2023 Oct [cited 2025 Oct 1]. Available from: https://www.ibc.ca/news-insights/news/okanagan-and-shuswap-area-wildfires-cause-over-720-million-in-insured-damage

8 Popyk T. B.C. is burning through its wildfire budget well before the season even peaks. CBC News; 2023 Jun 14. Available from: https://www.cbc.ca/news/canada/british-columbia/bc-wildfire-costs-2023-1.6875171

9 Daniels LD, Dickson-Hoyle S, Baron JN, Copes-Gerbitz K, Flannigan MD, Castellanos-Acuna D, et al. The 2023 wildfires in British Columbia, Canada: impacts, drivers, and transformations to coexist with wildfire [Internet]. Can J For Res. 2025 Jan;55:1–18. Available from https://doi.org/10.1139/cjfr-2024-0092

10 Public Safety Canada. The Canadian Disaster Database [Internet]. Government of Canada; 2025 Jan 20. Available from: https://www.publicsafety.gc.ca/cnt/rsrcs/cndn-dsstr-dtbs/index-en.aspx

11 BC Lumber Trade Council. Statement by the BC Lumber Trade Council on the outcome of U.S. Department of Commerce's Fifth Administrative Review [Internet]. Vancouver: BC Lumber Trade Council; 2024 [cited 2025 Oct 1]. Available from: https://bclumbertrade.com/archivenewsroom/96g62iv6ulmuw7qmogqp6ogyzwnju5

12 U.S. Department of Commerce. Preliminary Results of Softwood Lumber from Canada Antidumping Duty Administrative Review [Internet]. Washington, DC: U.S. Department of Commerce; 2025 Mar 4 [cited 2025 Oct 1]. Available from: https://www.trade.gov/press-release/u-s-commerce-department-preliminary-results-softwood-lumber-canada-antidumping-duty

13 Ministry of Forests. 2023 Economic State of the B.C. Forest Sector [Internet]. Victoria (BC): Government of British Columbia; 2023 [cited 2025 Oct 1]. Available from: https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/forestry/forest-industry-economics/economic-state/2023_economic_state_of_the_bc_forest_sector.pdf

14 ResourceWise. An overview of British Columbia's timber supply crisis [Internet]. ResourceWise; 2024 Jun 3 [cited 2025 Oct 1]. Available from: https://www.resourcewise.com/blog/forest-products-blog/an-overview-of-british-columbias-timber-supply-crisis

15 Depner W. Climate change cost B.C. tourism '$100s of millions, never to be recovered' [Internet]. Comox Valley Record; 2023 Sep 19 [cited 2025 Oct 1]. Available from: https://www.comoxvalleyrecord.com/news/climate-change-cost-bc-tourism-100s-of-millions-never-to-be-recovered-4385335

16 Destination BC. 2023/24 Annual Service Plan Report [Internet]. Victoria (BC): Destination BC; 2024 Aug [cited 2025 Oct 1]. Available from: https://www.destinationbc.ca/content/uploads/2024/08/dbc.pdf

17 CleanBC. CleanBC Roadmap to 2030 [Internet]. Victoria (BC): Government of British Columbia; 2021 [cited 2025 Oct 1]. Available from: https://www2.gov.bc.ca/assets/gov/environment/climate-change/action/cleanbc/cleanbc_roadmap_2030.pdf

18 BC Gov News. $1.05-billion battery manufacturing plant coming to Maple Ridge [Internet]. Victoria (BC): Government of British Columbia; 2023 Nov 29 [cited 2025 Oct 1]. Available from: https://news.gov.bc.ca/releases/2023PREM0063-001776

19 BC Hydro. Western Canada's first high-performance battery cell manufacturing site to be powered by BC Hydro [Internet]. Vancouver (BC): BC Hydro; 2023 [cited 2025 Oct 1]. Available from: https://www.bchydro.com/news/conservation/2023/e-one-moli-energy-battery-cell-manufacturing-site.html

20 Government of British Columbia. Powering Our Future: BC's Clean Energy Strategy [Internet]. Victoria (BC): Government of British Columbia; 2024 Jun 27 [cited 2025 Oct 1]. Available from: https://www2.gov.bc.ca/gov/content/industry/electricity-alternative-energy/powering-our-future

21 Business Council of British Columbia. Sticker shock: the rising price of everything in BC [Internet]. Vancouver (BC): BCBC; 2023 [cited 2025 Oct 1]. Available from: https://www.bcbc.com/insight/sticker-shock-the-rising-price-of-everything-in-bc

22 Angus Reid Institute. Cross-Canada Outlook— Provincial Issues, Politics, and Government Performance: British Columbia. Vancouver (BC): Angus Reid Institute; 2025 [cited 2025 Oct 1]. Available from: https://angusreid.org/cross-canada-outlook-sept-25-british-columbia

23 BC Builds. BC Builds Program Overview Factsheet [Internet]. Vancouver (BC): BC Builds / BC Housing; 2024 Apr [cited 2025 Oct 1]. Available from: https://www.bcbuildshomes.ca/sites/default/files/2024-04/BC-Builds-Program-Overview-Factsheet.pdf

24 Government of British Columbia. BC Action Plan 2025/26 to 2027/28: The CMHC-British Columbia Bilateral Agreement under the 2017 National Housing Strategy [Internet]. Vancouver (BC): BC Housing / Province of BC; 2025 [cited 2025 Oct 1]. Available from: https://www.bchousing.org/sites/default/files/media/documents/BC-Action-Plan-2025-28.pdf

25 Canada Mortgage and Housing Corporation. Table 34-10-0126-01 Canada Mortgage and Housing Corporation, housing starts, under construction and completions, all areas, annual. Statistics Canada; 2025 Jan. Available from: https://doi.org/10.25318/3410012601-eng

26 BC Stats. BC Population Estimates & Projections [Internet]. Victoria (BC): Government of British Columbia; [cited 2025 Oct 3]. Available from: https://bcstats.shinyapps.io/popApp/

27 Martin N, Bowie D, Fakhoury R, Kabbara M. Household Energy Affordability in a Net-Zero Future. The Transition Accelerator; 2024 Nov. Available from: https://transitionaccelerator.ca/wp-content/uploads/2024/11/EC-Household-Energy-Affordability-2024-1.pdf

28 Pauer S. Pathways to accelerating household clean technology adoption across British Columbia. Clean Energy Canada; 2025.

29 Mildenberger M, Roche GD. Post-Election Polling Report British Columbia 2024 Provincial Election. UC Santa Barbara; 2025:21 [Accessed July 24, 2025]. Available from: https://static1.squarespace.com/static/61dc554a6c6b0048e8e90538/t/67fd5d8f954a365ddf1b733e/1744657814307/2035+Initiative+%7C+BC+Post-Election+Polling+Report.pdf

30 Government of British Columbia. 2024 Climate Change Accountability Report [Internet]. Victoria (BC): Government of British Columbia; 2024 [cited 2025 Oct 9]. Available from: https://www2.gov.bc.ca/assets/gov/environment/climate-change/action/cleanbc/2024_climate_change_accountability_report.pdf

Pacific Institute for Climate Solutions

PO Box 1700 STN CSC
Victoria, B.C. V8W 2Y2 Canada

T 250-853-3595
F 250-853-3597

pics@uvic.ca
climatesolutions.ca