

August 31, 2026

The Honourable François-Philippe Champagne, P.C., M.P.
Minister of Finance and National Revenue
90 Elgin Street
Ottawa ON
K1A 0G5

Subject: Submission to the 2026 Federal Pre-Budget Consultation

Dear Minister Champagne,

On behalf of the Office of Religious Congregations for Integral Ecology (ORCIE), representing over 20 member congregations across Canada, we thank you for the opportunity to contribute to Canada's 2026 federal pre-budget consultation. As people of faith, grounded in the vision of integral ecology, we believe Canada's budget must reflect care for people, care for the planet and care for future generations.

Across Canada, members of ORCIE's religious congregations are witnessing firsthand the impacts of wildfires, floods, and rising living costs. Climate change impacts from increased GHG emissions deepen harms that violate rights to life, security, and equality—worsening air pollution, health risks, and extreme weather that disproportionately affect low-income and Indigenous communities. These are not distant harms; they are lived realities at home and abroad.

At this critical moment, we believe that Canada's budget choices must reflect just as much moral clarity as economic foresight. The decisions made in Budget 2026 will determine whether our public resources strengthen communities and safeguard creation or continue to underwrite industries that deepen ecological and social risk. Guided by our Catholic faith and commitment to integral ecology, ORCIE respectfully offers the following recommendations to align fiscal policy with Canada's climate and international commitments.

In summary, we recommend that Budget 2026: end public investment in new fossil fuel infrastructure, including carbon capture and storage; publish a full, transparent inventory of

federal fossil fuel subsidies and financing; commit at least \$32.5 billion over five years to a national clean electricity grid; and accelerate the Clean Electricity Investment Tax Credit alongside zero-emission transportation and home heating incentives.

1. End Fossil Fuel Subsidies

Canada's fair share of global climate action requires cuts to domestic GHG emissions. Budget 2026 should not go further than the concessions already made in the Alberta MOU. Our Paris commitment is for 40–45% below 2005 levels by 2030 and will require reducing public funding for oil and gas projects. Environmental Defence Canada's May 2026 analysis found the federal government has provided at least \$85.2 billion to the fossil fuel industry since it began tracking in 2020.

Budget 2026 should not further invest in shielding private oil and gas companies from financial risk while Canadians face rising costs of living and climate-related impacts. Projects like the Trans Mountain Pipeline illustrate the fiscal risk: its escalating costs have now reached \$34 billion, placing undue financial risk on taxpayers. Oil and gas companies have reported record profits, demonstrating they do not need taxpayer support. Cutting these subsidies would free up over \$10 billion a year.

We recommend:

- Ending all public investment in new fossil fuel infrastructure, including carbon capture and storage projects (the costliest and least effective way to cut emissions).
- Redirecting funds toward renewable energy generation, grid capacity, and clean electricity transmission.
- Publishing a comprehensive, transparent inventory of all federal fossil fuel subsidies and public financing, using globally agreed definitions.

Canada controls electricity price and supply, not oil price, so the limited public dollars belong in the asset Canada actually controls. Every dollar spent on fossil fuel expansion is a dollar not spent on building Canada's future energy system. A domestic clean energy grid buildout serves the energy security goal more reliably than a stranded-asset pipeline. Global markets are rapidly shifting toward clean energy that is cheaper, faster to deploy, and more secure. As the Prime Minister, Mark Carney, noted, controlling our energy means controlling our destiny. Why keep risking our future when Budget 2026 is Canada's opportunity to lead this transition?

2. Invest in a Clean, Interconnected Electricity Grid

The National Electricity Strategy launched in May that commits to doubling grid capacity by 2050 does not yet include new transmission funding. We ask that Canada commit significant investment of at least \$32.5 billion over five years to build a national, reliable, and renewable electricity grid, and fund the strategy you recently announced. Electrifying transportation and heating is a nation-building project that strengthens energy security, supports Indigenous partnership, and improves long-term affordability.

We urge the government to:

- Finalize implementation and accelerate uptake of the Clean Electricity Investment Tax Credit.
- Fund strategic interprovincial and intra-provincial transmission projects.
- Provide incentives for zero-emission transportation, home heating, and consumer EV adoption.

3. Canada's Role in the Global Community

With one of the highest per-capita emissions in the world, Canada has a duty to lead in phasing out inefficient fossil fuel subsidies and supporting a just global transition. The government has already committed public capital to CCS and pipeline expansion; we're asking it to change that direction. It contradicts Canada's commitments under the G7, G20, and Paris Agreement, and undermines trust in our climate leadership.

Redirecting public dollars toward renewable energy and clean electricity infrastructure domestically, and continuing to contribute to climate adaptation, mitigation, and Loss and Damage funding internationally, signals to young Canadians and to the world community that the Canadian government is investing in the future rather than deepening financial risk and speeding up the degradation of our common home.

We urge the federal government to implement these principles and technical improvements to ensure that Canada's budget serves the common good and protects our shared future for generations to come, investing in the flourishing of the whole Earth community rather than reinforcing systems that harm it.



Thank you for your leadership in shaping a budget that reflects the values of justice, care for creation, and solidarity.

Sincerely,

Genevieve Gallant, Executive Director
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Bureau des congrégations religieuses pour une écologie intégrale (BCRÉI)