

The Climate Emergency – How does it impact the cost of living?

[Causes and Effects of Climate Change](#) are becoming very clear. Acting on climate now isn't just about the planet - it's about protecting our wallet, our home, and our future.

The Cost of Climate Inaction

- **Soaring Food Prices:** Droughts, floods, and extreme weather disrupt crops, shrinking supply and driving up food costs worldwide.
- **Extreme Weather Damage:** Intense storms, hurricanes, floods and wildfires mean higher insurance premiums and costly repairs.
- **Rising Energy Bills:** Heatwaves push up electricity usage for cooling, straining wallets and power grids.
- **Falling Property Values:** Homes in high-risk areas lose value as buyers avoid climate emergency-prone regions.
- **Costly Climate Migration:** As regions become unlivable, families face steep costs to relocate and rebuild.

Food and Daily Items

How:

Temperature and Productivity: Shifts in average temperatures strongly influence productivity and inflation, as high as 1.2 to 3.2% a year.

Extreme Weather: ***Canada's climate is warming at double the rate*** of the rest of the world. Heat waves and other extreme events disrupt agriculture, impacting food supply.

Result:

Rising Costs: Food inflation affects all nations, but the Global South faces the greatest burden.

Productivity: Climate-driven drops in agricultural output lead to higher food prices.

Varied Impacts: Prices for foods like olive oil and orange juice may rise, whole grains could see declines.

Regional Challenges: Hotter areas and seasons experience greater food price volatility.

Inflation and energy bills

How:

Increasing temperatures, extreme weather events could [boost average inflation](#) by as much as 1.2 percentage points every year, moreso if little to no action is done to significantly reduce big polluters.

Canada has made [progress on climate policy](#), but hitting 2030 targets requires urgent action **to avoid skyrocketing costs for daily essentials and repairs** from extreme weather.

Federal clean electricity regulations and greener building codes are set to take effect soon, promising long-term savings on utility bills, housing, and repair costs - if they aren't weakened. Alternative energy, including wind and solar, is [cheaper](#), [healthier](#) and [safer](#) than gas or nuclear.

Since 2018, Ontario has been ranked among the weakest provinces for climate action. The current government has rolled back key environmental policies, canceling clean energy programs, weakening protections for wetlands and forests, and enabling potential highways through its Greenbelt, water systems, and farmland. It has also promoted high-emission housing and industrial development **without making it affordable**, and stripped independent watchdog agencies of the power to hold these actions accountable.

Insurance Premiums, Property Values and Cost of Relocation

Luckily, new-build homes won't be on floodplains, thanks to [federal intervention on a provincial plan](#) which removes the threat of [high damage repairs](#) and premiums as much as 8% higher. That's [not the same for everyone](#) and moving to somewhere 'safer' could cost tens of thousands of dollars they don't have.

Result

- Ontario's inflation rate, insurance premiums, and energy bills will continue to rise for the foreseeable future.
- [Affordable housing will still be elusive](#) for many.
- 8-10% of Canadian households can no longer get insurance because of where they live and the [flood risks](#).
- Property values are reported to [drop over 8%](#) after a catastrophic flooding event.

What Can Be Done

- Policies like the emissions cap for the oil and gas sector—our biggest polluters—must be airtight, with no loopholes.
- Ontario must step up its climate action plan, get into clean energy which could be in place in 1-2 years, revert back to more stringent land protection, especially for the Greenbelt (including highways) and farmland, and build the right type of affordable homes in the right places.

With federal and provincial elections ahead, the decisions we make now will determine if Canada can cut emissions by 40–45% in just five years.