

Climate Change – How does it impact the cost of living and what can we do about it?

[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

A study analyzing data from 121 nations since 1996 predicts that climate and weather shocks will [drive food prices up](#) by 1.5–1.8% annually within a decade, with even sharper increases in hotter regions like the Middle East. By 2035, these climate impacts could also add 0.8–0.9% to overall inflation, according to *Communications, Earth & Environment*.

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: 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.

Global Negotiations: Food price impacts remain a contentious issue in climate agreement talks.

Inflation

How

Increasing temperatures, extreme weather events could [boost average inflation](#) by as much as 1.2 percentage points every year until 2035, more so if little to no action is done to significantly reduce greenhouse gases.

Researchers analyzed 30 years of data from 121 countries to see how rising temperatures affect inflation. Even under the best-case scenario—where emissions are sharply reduced—climate change will still push inflation up by 0.3 points annually and food inflation by 0.9 points through 2035.

In a worst-case, high-emissions scenario, food inflation could exceed 4 points annually in many regions by 2060. The study highlights that climate change will keep driving inflation higher over the next few decades, making emission cuts and innovative solutions critical to protect the global economy.

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. Policies like the emissions cap for the oil and gas sector—our biggest polluters—must be airtight, with no loopholes, to curb greenhouse gases and prevent more wildfires, extreme weather, and flash floods.

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. Gas-generated electricity is far pricier than wind or solar, yet Ontario plans to increase gas power by 500%, driving up both bills and emissions, even as households invest in cleaner upgrades like heat pumps and electric appliances. 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.

Result

- Local food scarcity means higher inflation on the food produced. Ontario is rapidly losing our food security - 319 acres daily as of 2021, up from 175 acres in 2016, with 70% being prime Class 1 land. Farmers have raised concerns, but Ford favors developers. Projects like Highway 413 and the Bradford Bypass, linked to [the same developers](#) involved in the Greenbelt scandal, [threaten more farmland](#) and risk polluting key areas like the Holland Marsh. In 2023, agriculture contributed \$51

billion to Ontario's GDP and supported 870,000 jobs. Is Ford safeguarding that Ontario legacy, or prioritizing developer profits?

- Expanding [costly](#), pollution emitting gas electricity generation costs us more on our household and health bills and undermines sustainability.

Insurance Premiums, Property Values and Cost of Relocation

How

This [human-driven climate change](#) is causing severe weather events more frequently. Events, that once would have been once in a lifetime or a decade, are [now closer together](#);, often [year round](#) now when it comes to floods and wildfires.

In one year, 2023, Ontario lost 329,000 hectares of forest. Since 2018, the loss is 1,937, 000 hectares. To put that into perspective, from 2013-2017 the loss was 887,000 total. This current government has had more than [double the tree cover loss](#)

Likewise for wetlands, although 75% of Ontario's wetlands are now gone since 2001 under numerous governments, that loss has increased significantly under the current government because in 2021 it removed a 2017 critical strategy and monitoring system and [put nothing in its place](#). This has a [huge impact](#) on carbon emissions retention and reduction. This is one of the causes of 'dry air' that is now the terrible fuse for larger more devastating wildfires like we saw in 2023 in Ontario, and such a loss of wetland that would have absorbed more rainfall, now causes greater flooding down the watershed. That means money for the next topic.

Result

- [Research](#) from the University of Waterloo shows that properties in Ontario affected by catastrophic flooding can lose about 8.2% of their value compared to similar properties in unaffected areas, reflecting a sharp drop in selling price due to flood risk.
- 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.
- 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.
- Paying more tax dollars for climate adaptation - making sure infrastructure like sewers and building flood systems can stand up to severe weather events

What Can Be Done

- Policies like the emissions cap for the oil and gas sector—our biggest polluters—must be airtight, with no loopholes.
- Federal, provincial and municipal governments must direct funding wisely to innovations and climate solutions that are already proven. We don't have time anymore to wait and see. In Canada, investment into [carbon capture is misguided](#) - we need to follow the existing science to [hit the emergency brake](#) on the climate emergency like methane reduction, alternative energy sources, clean transit, and reduction of [food waste](#), and then invest in unproven tech., especially those like carbon capture versions that are simply designed to provide access for harder to reach fossil fuels.
- Various sectors need to ensure that they are taking advantage of the big federal money pots for cleaner building, transit, energy and emissions and the funds need to continue to be available beyond the initial traction.
- 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 , forest and wetland protection, especially for the Greenbelt and farmland, and build the right type of affordable homes in the right places. Better use of the 407 and investment into more effective, clean public transit would remove the unalterable damage and cost of Greenbelt highways.

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.