

Canada's Green Economy and the World

Global markets for clean technologies, products and services are growing

- Statistics Canada estimates the value of Canadian exports in sustainable technologies was \$5.8 billion in 2014.ⁱ
- Trade in low-carbon, energy-efficient technologies alone is projected to reach over U.S. \$2 trillion per year by 2020, a tripling of current levels. Two-fifths of this growing market will be in emerging and developing countries.ⁱⁱ
- Global sales in clean technology have increased by more than 10% per year for the past several years. More money has been invested in renewable than in fossil fuel electricity capacity since 2010.ⁱⁱⁱ
- Clean technology is much more than solar and wind energy. In Canada alone, the overall industry is worth almost \$12 billion and is made up of 10 clean technology sectors.^{iv}
- There is also a major opportunity for resource-based sectors. McKinsey estimates that \$2.9 trillion will be invested in boosting resource efficiency and innovation worldwide by 2030.^v
- This is part of a larger, economy-wide opportunity. With anticipated global infrastructure investments – in urban, land use and energy systems – of \$90 trillion over the next 15 years, there is a significant economic opportunity for low carbon solutions.^{vi}

Canada's share of environmental goods markets is declining

- Canada's global share of Environmental Goods is steadily declining and we are the world's third greatest loser of market share since 2008. Our market share of manufactured Environmental Goods declined by 41 percent from 2.2 percent to 1.3 percent.^{vii}
- Our global ranking fell from 14th to 19th. After the UK and Japan, Canada's is the steepest decline in global market share.^{viii}
- For Renewable Energy and Energy Efficiency manufactured Environmental Goods, Canada has lost 71 per cent of its 2005 market share and is the biggest loser of market share among the top 24 exporting countries.^{ix}

Improving Canada's environmental performance can lead to long-term savings & growth

- Climate change poses serious risks to our environment *and economy*. We are already seeing early effects, such as rapidly-melting Arctic ice, changing weather, and the Mountain Pine Beetle outbreak (linked to warmer winters) which has devastated BC's interior forest industry. If unchecked, these effects will grow, and could cost us nearly \$50 billion per year by 2050.^x
- Delay is costly. Waiting until 2020 to implement climate change policies sufficient to meet our 2050 goals will cost Canada an additional \$87 billion.^{xi}
- Greenhouse gas regulations for passenger automobiles and light trucks for 2017-2025 models will result in improved energy efficiencies that will save 75-billion litres of fuel, \$50 billion in fuel costs, and 174-million tonnes of greenhouse gas emissions in Canada.^{xii}

- Adjusting driving behaviour can have more than environmental benefits. A 2013 analysis by the C.D. Howe Institute estimated that traffic congestion costs the Greater Toronto and Hamilton areas between \$7.5 and \$11 billion per year in lost time and economic opportunities.^{xiii}
- A study by the Conference Board of Canada found that an investment of \$1.3 billion by Alberta's Climate Change and Emissions Management Corporation will have a total economic impact of more than \$2.4 billion, and add more than 15,000 employees.^{xiv}
- Canada's inability to get new pipelines approved to the coast costs our economy an estimated \$18 billion per year, because we cannot get the world price for our oil.^{xv} A large part of the opposition to those pipelines, in the US and BC, is driven by concerns that Canada must do better on climate policy and reducing the oil sands environmental footprint. Canada's oil industry now recognizes that better environmental performance, by them and the government, is critical to their economic future. Some major oil CEOs are publicly calling for a price on carbon, to help drive clean technology investment.^{xvi}

References

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ⁱⁱⁱ Clean Tech Group (2013), *Global Clean Tech 100*

^{iv} Analytica Advisors (2015) Canadian Clean Technology Industry Report, retrieved from http://www.analytica-advisors.com/assets/file/2015_Report_Synopsis_Final_wcovers.pdf

^v McKinsey Global Institute (2011), *Resource Revolution: Meeting the World's Energy, Materials, Food and Water Needs*, November 2011

^{vi} The Global Commission on the Economy and Climate (2014), *The New Climate Economy Report*, Retrieved from: <http://newclimateeconomy.report/>

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^{ix} Analytica Advisors (2015) Canadian Clean Technology Industry Report, retrieved from http://www.analytica-advisors.com/assets/file/2015_Report_Synopsis_Final_wcovers.pdf

^x National Round Table on the Environment and the Economy (NRTEE) (2011), *Paying the Price: The Economic Impacts of Climate Change for Canada*. Retrieved from: <http://www.collectionscanada.gc.ca/webarchives/20130322143115/http://nrtee-trnee.ca/climate/climate-prosperity/the-economic-impacts-of-climate-change-for-canada/paying-the-price> (projected costs from climate change impacts to Canada range from \$21-43 billion per year by 2050)

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^{xii} Environment Canada (2014), *Regulatory Impact Analysis Statement for Regulations Amending the Passenger Automobile and Light Truck Greenhouse Gas Emission Regulations*. Retrieved from: <http://gazette.gc.ca>

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^{xiv} Conference Board of Canada (2015). *Investing in GHG Emissions-Reduction Technology: Assessing the Economic Impact*. Briefing February 2015.

^{xv} Canadian Chamber of Commerce (2013), *\$50 Million a Day*, Retrieved from: http://www.chamber.ca/media/blog/130917-50-Million-a-Day/1309_50_Million_a_Day.pdf

^{xvi} Bakx, Kyle (2015), *Oil Industry Pushing for Carbon Tax in Alberta*, CBC News May 22, 2015, Retrieved from: <http://www.cbc.ca/news/business/oil-industry-pushing-for-carbon-tax-in-alberta-1.3083832>