

Business and NGO Leaders: “To win the clean innovation race, Canada needs stronger competitiveness measures to match tough environmental rules”

VANCOUVER, March, 15, 2018—

- *New report by Smart Prosperity says clean innovation is an economy-wide opportunity that Canada must grasp or risk falling behind*
- *To unleash private investment in clean innovation, government must push ahead with world-class environmental rules and do more to secure business competitiveness*

Today, on the Expo floor of the GLOBE Summit for Sustainable Business, 27 prominent Canadian business, environment, youth, Indigenous and labour leaders will launch a landmark research report on the opportunity and state of clean innovation in Canada. These leaders of the [Smart Prosperity](#) Initiative are calling on government to help clean innovators get ideas to market, creating wealth and jobs, by pushing ahead on environmental standards while doing more to buttress business competitiveness. That includes:

- An accelerated capital cost allowance for all clean technologies
- A tax credit for investment in growing clean technology companies
- Reduction of regulatory impediments to innovation
- Moving ahead with carbon pricing and strong environmental standards to drive low carbon innovation and clean growth (for vehicles, fuels, buildings, and industries)

Clean innovation feeds a fast-growing global market for environmental solutions that will be worth \$2.5 trillion by 2022, according to the Smart Prosperity report released today. It is a massive economic opportunity, not just for the emerging cleantech sector, but for Canada’s established industries including natural resources, energy, manufacturing and agriculture. For example, it is anticipated that \$3.6 trillion dollars will be invested, world-wide, in technologies that boost efficiency in resource-based sectors by 2030.

“Canada has what it takes to capture a big slice of the global clean innovation opportunity, but right now we’re falling short,” says **Annette Verschuren**, Smart Prosperity leader, CEO, NRStor and Former CEO, Home Depot Canada. “We’re great at generating ideas and developing them into promising technologies. But we’re behind other countries in getting those ideas to market. That means we’re missing out on the jobs, business opportunities, and wealth that we could be generating.”

While investors and entrepreneurs are the driving force behind clean innovation, government has a critical role to play in fixing market failures and stimulating demand, explains **Stewart Elgie** co-chair of the initiative and professor of law and economics at the University of Ottawa. Half of that equation is setting ambitious environmental policies that spur innovation, and on this front, Canada is on the right track. “Driving clean innovation takes carrots and sticks -- strong environmental rules plus smart incentives to help firms get there,” said Elgie” “Kudos to

governments for moving ahead with carbon pricing and world class climate standards. Now we need to match that with strong competitiveness incentives.”

At the same time, Smart Prosperity leaders are urging government to pay more attention to the other side of the clean innovation equation: competitiveness.

“We have got to lower costs and increase the business incentives if we really want clean innovation to take off,” says **Lorraine Mitchelmore**, Smart Prosperity co-chair and CEO of Enlighten Innovations. “Environmental ambition has to be matched with competitiveness measures because, we know, when business costs go up, the first thing that gets cut is R&D budgets. That’s exactly where we need private investment to flow, so let’s get the barriers out of the way.”

The report lists six key recommendations to accelerate innovation for a stronger, cleaner economy that benefits all Canadians.

We must act now to secure our place among the world’s leaders in clean innovation reads the statement signed by Smart Prosperity leaders in the new report. The world will build a low-pollution economy with or without us. It’s our intention to ensure Canada opts in.

For more information and to schedule interviews with Smart Prosperity spokespeople, please contact:

Jessie Sitnick

P: 416-859-8250

Email: jsitnick@argylepr.com

Link: <http://www.smartprosperity.ca>