

April 3 2020

Office of the Prime Minister

80 Wellington Street

Ottawa, ON K1A 0A2

Dear Prime Minister Trudeau,

As the Government of Canada develops and deploys its response to the unprecedented impact COVID-19 is having on our health and economy, we offer your government our support, assistance and advice to ensure that stimulus and recovery efforts help build a better, more resilient Canada. We represent leading national organizations and industry associations focused on clean, low-carbon solutions including in the energy supply, demand management, storage, transportation and cleantech space.

The COVID-19 pandemic has laid bare the vulnerability of the systems Canadians rely on, systems that stand to be similarly disrupted by climate-related impacts in the future absent a sustained and accelerated effort to mitigate carbon pollution while enhancing systemic resilience. The unprecedented public investment needed to rebuild the Canadian economy is a once-in-a-generation opportunity to position Canada to compete and prosper in the global clean economy.

Throughout the economy, Canadian companies are experiencing serious revenue challenges and Canadians are experiencing unprecedented job losses, which demand immediate relief. We also understand that expanded and new investments and programs will be required to stimulate the economy and put it on a path to recovery from the COVID-induced recession. With the twin objectives of moving quickly and strategically to get Canada and Canadians working again in the near-term, while enhancing our national commitment to creating a diversified, low-carbon economy, we make three overarching recommendations for ensuring a resilient recovery.

1. Signalling climate policy continuity and enhancement

Over the course of your government's first mandate you have established and put in motion a significant suite of climate policies, programs and regulations that are sending important market signals. Modeling commissioned from Navius Research by Clean Energy Canada found that these policies, in combination with provincial policies, will drive significant job creation and economic growth, in addition to reductions in carbon pollution. The analysis found that by 2030 Canada's clean energy sector will employ 559,400 Canadians—in jobs like insulating homes, manufacturing electric vehicles and charging infrastructure, and building and maintaining renewable electricity projects—thanks to a growth rate four times bigger than the Canadian average from 2020 to 2030. Similarly, it found the clean energy sector's contribution to GDP would grow 3.4% a year between now and 2030, faster than the national average of 1.5%

growth per year. Clearly, maintaining these measures—and, where appropriate, adding new investments, policies and regulations—can play a critical role in stimulus and economic recovery efforts, with the co-benefit of cutting pollution to exceed our 2030 Paris target, and, with additional effort, achieving net zero emissions by 2050.

2. Sufficient, sustained and sustainable stimulus

Governments around the world are racing to implement economic stimulus and support packages to keep individuals, businesses, and economies afloat. While supporting the urgent implementation of these measures, we must ensure that these unprecedented investments pave the way to a more sustainable, net-zero emission economy and avoid measures that lock us into a high-carbon future or risk stranded assets. Periods of high unemployment and low interest rates are precisely the right time to focus on new low-carbon investments and infrastructure, including those required to support and accelerate the transition to clean energy.

This means that any stimulus must come with conditions, focusing on immediate job creation, mid- and longer-term economic productivity, community benefit and clean growth. We strongly recommend that any relief for the fossil fuel sector and/or fossil-fuel reliant platforms (e.g. gasoline-powered vehicles, diesel generators, heating oil furnaces), which are facing long-term structural challenges, must have stringent conditions to focus on workers, decarbonization and diversification, and not impede the transition to a clean energy economy. Investment in economic diversification must place special attention to the regions that need it most and who have seen record layoffs. They will need economic investment in emerging sectors and technologies to help diversify their economies and strengthen their economic resilience.

3. Moving quickly to support clean energy solutions through existing initiatives and programs

We recognize that speed and simplicity are critical elements of any economic stimulus program. Therefore, while new initiatives and programs could be developed and approved over the next several months, significant headway can be made in the short term through existing frameworks. We can use them to scale up investment in energy retrofits, renewable power production, storage and transmission, clean fuel production, electric vehicle and electric vehicle charging infrastructure deployment and measures to further green government. Without reinventing the wheel, the federal government—cooperating with provincial and municipal governments where appropriate— can get funding and financing into the economy quickly and productively, while significantly reducing carbon pollution and increasing employment.

It should be highlighted that the planning and preparation for recovery can start now. We encourage the government to send a clear signal that the economic recovery will be a clean one by supporting initiatives such as online training, sectoral and project studies, launching

competitions, and requests for proposals which enable the clean technology sector to prepare to contribute to recovery while physical distancing measures are still in place.

In the coming days we will be sharing specific recommendations regarding immediate opportunities to begin preparing for recovery, shovel-ready projects that can provide near-term economic stimulus, as well as additional measures and initiatives to ensure a sustained, sustainable and resilient recovery. We stand ready to provide expertise and information and look forward to collaborating with your Cabinet colleagues and your office, putting Canadians back to work in secure jobs in a diversified, innovative and clean economy.

Sincerely,

Merran Smith, Executive Director, Clean Energy Canada, Simon Fraser University

Anne-Raphaëlle Audouin, President & CEO, WaterPower Canada

Robert Hornung, President, Canadian Wind Energy Association

Wesley Johnston, President and CEO, Canadian Solar Industries Association

Daniel Breton, President and CEO, Electric Mobility Canada

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Jacob Malthouse, Canada Cleantech Alliance

Jeanette Jackson, CEO, Foresight Cleantech Accelerator

Denis Leclerc, President and CEO, Écotech Québec

Maike Althaus, Executive Director, Ontario Clean Technology Industry Association

cc.

Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Intergovernmental Affairs

Hon. Navdeep Bains, Minister of Innovation, Science and Industry

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Hon. Filomena Tassi, Minister of Labour

Hon. Jonathan Wilkinson, Minister of Environment and Climate Change

Hon. Anita Anand, Minister of Public Services and Procurement

Hon. Mona Fortier, Minister of Middle Class Prosperity and Associate Minister of Finance