



Canadian Labour Congress

Congrès du travail du Canada

Green Infrastructure Investments

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Green Job Creation

- “Green” infrastructure investments are a greater source of net job creation dollar for dollar than investments in traditional fossil fuel industries, tax cuts or investments to boost consumer spending.
- A \$10 billion dollar investment over 2 years can create 200,000 jobs by allocating the money into five areas: mass transit, passenger rail, affordable housing, energy conservation through building retrofits and renewable energy including co-generation and “smart grids”.
- The job creation benefits will increase if the investments also contain requirements for Canadian content.

The Current Economic Landscape

- Canada has a \$123 billion municipal infrastructure deficit due to decades of under-investment.
- Job growth in the short to medium term will not come from exports, higher household spending or private investment, all of which are quite depressed.
- The credit collapse has hurt our ability to raise capital for major wind and solar projects.
- Government interest rates are very low and many parts of the economy, including construction, are slowing fast, so needed investments can be undertaken at a low cost.
- We have lost over 300,000 manufacturing jobs since 2002, starting before the recent intensification of the economic crisis. All the while greenhouse gas emissions have been increasing.
- The manufacturing job losses can be attributed to the large and growing manufacturing trade deficit with Asia; the long-standing lack of major new investments in Canadian industry and because of the high dollar, which is the direct result of the resource boom and our out-of-control tar sands development. Interestingly Canada’s growth in greenhouse gas emissions,

much like Canada's growth in manufacturing job losses can be linked directly to the ongoing development of the Alberta tar sands.

Economic Advantages

- A \$10 billion "green" investment allocated to five areas can create 200,000 jobs in two years.

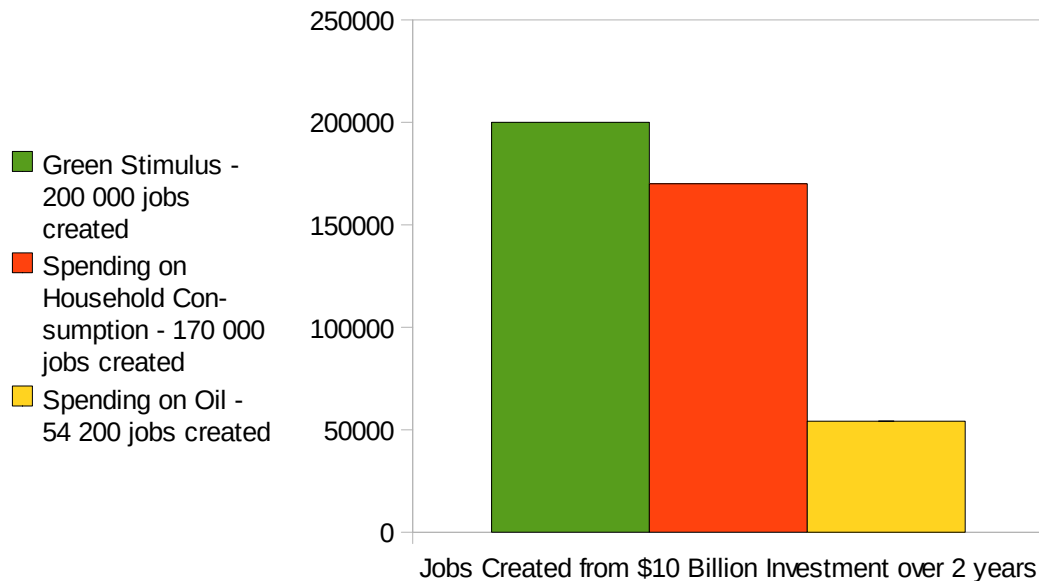
Job Creation from a \$2 Billion investment in 5 Green Investment Areas in 2 Years	
Direct Jobs	93, 500
Indirect Jobs	58, 600
Induced Jobs	49, 600
Total Job Creation	199, 900

Direct Jobs: Construction jobs created by retrofitting buildings to make them more energy efficient, or manufacturing jobs created to build wind turbines, buses or rail cars;

Indirect Jobs: Manufacturing and service jobs created in associated industries that supply intermediate goods for building retrofits, public transportation expansion or wind turbine manufacturing, such as lumber, steel and transportation.

Induced Jobs: Retail and wholesale jobs created by workers in these construction, manufacturing, and service industries when they spend the money they earn on other products in the economy.

- \$1 Billion in additional spending in basic infrastructure creates 11,500 jobs, half in construction and half in other sectors. As many as 18,000 jobs are created for every \$1 Billion of investment in energy conservation and renewable energy systems.
- Public infrastructure investment generates a rate of return of 17% to the private sector by boosting productivity through lower operating and production costs. Investments can also support new manufacturing jobs if they contain buy in Canada procurement requirements, as requested by both the CLC and the Canadian Manufacturers and Exporters.
- "Green" investments are a greater source of net job creation than traditional fossil fuel generation, and than household consumption stimuli.
- We could create 2,000 new jobs by replacing \$694 million of public transit vehicle imports with Canadian-made products.
- The average renewable energy investment creates four times as many jobs as the same investment in the fossil fuel economy.



- The key to our future prosperity is to add more value to our resources before they are exported and, by investing more in innovation and skills, build the knowledge-based and environmentally sustainable industries of the future here in Canada. This can't happen without an economic development plan and a plan to reduce our greenhouse gas emissions with science-based targets and right now Canada doesn't have a plan for either the environment or the economy.

The path forward

- By providing access to training for laid-off workers, they can access new "green jobs" being created through public investment programs, sector strategies and public service investments.
- Money already allocated to public infrastructure in the 2007 federal budget has been slow to flow out of Ottawa. Funds earmarked for the future should be fast-tracked as many projects have already been planned, engineered and priced and are ready to go.
- While the world's scientists have concluded that we have to fundamentally change the way we produce and consume energy or else we will face a global climate catastrophe, Canada is sliding into a recession. Both crises share a common solution: investing in a sustainable clean energy economy today.
- International commitments to science based targets of at least 25-40% below 1990 levels by 2020 at the Conference of the Parties to the United Nations Framework Convention on Climate Change to will go hand in hand with the development of a multi-year public investment program to create new "green jobs", promote our environmental goals and build new industries for the future.