

MEDIA RELEASE

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\$27 Billion by 2020: BC's Green Economy Projected to Boom

Vancouver, BC (March 16, 2010) - The green economy in British Columbia could be worth over \$27 billion by 2020, according to an independent study by the GLOBE Foundation of Canada.

The Vancouver-based GLOBE Foundation report, released today, assesses the economic and employment impacts associated with the transformation of the provincial economy towards lower-carbon energy generation and usage, as well as business practices that reduce greenhouse gas emissions.

"British Columbia's Green Economy: Building a Strong Low-Carbon Future" stresses that BC's abundant natural resources, clean energy choices, and advanced research and educational strengths, coupled with its strategic location as Canada's Pacific Gateway, positions the province to realize significant economic and employment gains from the pursuit of low-carbon business opportunities.

"There is great potential for BC to be at the forefront of the emerging green economy by taking advantage of our existing assets such as our renewable energy resources and our diverse work force," says John Wiebe, President and CEO of the GLOBE Foundation. "This report demonstrates a promising future for BC's low-carbon sectors, even using conservative growth estimates. By aligning investment and policy initiatives with BC's core low-carbon sectors, there is a good potential for green GDP and job figures to grow higher still."

The report identifies six key sectors that form the core of the province's green economy and measures their impacts on Gross Domestic Product (GDP) and employment. The six sectors are: Clean and Alternative Energy; Energy Management and Efficiency; Green Building; Environmental Protection; Carbon Finance and Investment; and Green Knowledge, which includes all of the major education, research, and training entities in the province.

Drawing on original research undertaken by the GLOBE Foundation, as well as research from governmental and other agencies, the study determined that BC's six green sectors in 2008 contributed \$18.3 billion in revenues to the BC economy, accounting for nearly 166,000 direct and indirect full-time equivalent jobs (equal to 7.2 per cent of total provincial employment) and \$15.3 billion to provincial GDP (equal to 10.2 per cent of total provincial GDP).

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The Clean and Alternative Energy and Energy Management and Efficiency sectors alone were responsible for \$6.1 billion in direct GDP in 2008 – more than half (55 per cent) of the total direct green GDP in the province. The greatest opportunities for immediate growth are predicted in the Energy Management and Efficiency and Green Building sectors, both of which are closely tied to conservation strategies and the implementation of clean technologies.

The GLOBE research team examined various growth scenarios and determined that GDP growth by 2020 could range from between \$21.0 billion at a conservative average annual growth rate (AAGR) of 2.7 per cent, and \$27.4 billion at an achievable and more optimistic AAGR of 5.0 per cent.

Choosing to use a more conservative growth estimate for employment figures due to a predicted shortage in the supply of labour, the GLOBE report suggests that the number of direct and indirect full-time equivalent green jobs in the province could grow to over 225,000 by 2020 (at a 2.6 per cent AAGR).

The report however notes that these job numbers could be increased through the “greening” of traditional careers, increased education and training programs for green trades, and by easing labour supply constraints for key occupations like engineers through immigration, for example.

Although close to 90 per cent of green jobs and GDP currently are generated in the province’s southern development regions (including the Mainland/Southwest, Vancouver Island/Coast, and Thompson-Okanagan), the report identifies considerable potential for green job growth in other regions of the province, in particular, opportunities flowing from the adoption of renewable energy and green practices in the more northern and remote communities throughout the province.

About the Study

Funded in part by the *BC Labour Market Partnerships* program, the report is the culmination of Phase 1 of a three-phase project that aims to identify core components of the province’s green economy and estimate potential economic opportunities associated with the worldwide trend of “going green”.

The report also highlights several BC-based companies in each of the six key green sectors, touching on their innovative technologies and often visionary business practices that are at the core of their domestic or international market success. These companies include Day4 Energy, Nexterra Systems, Westport Innovations, Tantalus Systems, Pulse Energy, Hemmera, Offsetters, plus many others that are at the forefront of change in terms of the low-carbon future.

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Research for Phase 2 of the project is currently underway, which focuses on key policies, programs, and educational initiatives that are contributing to the development of BC's green economy and the associated labour market opportunities. Completion of Phase 2 is scheduled for the end of May 2010.

About GLOBE

The GLOBE Foundation of Canada is a Vancouver-based, not-for-profit organization dedicated to finding practical business-oriented solutions to the world's environmental problems. Formed in 1993, the GLOBE Foundation has helped companies and individuals realize the value of economically viable environmental business opportunities through its conferences and events, research and consulting, project management, communications and awards program.

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REPORT BACKGROUNDER

British Columbia's Green Economy: Building a Strong Low-Carbon Future

The Green Economy – With a global market value of nearly US \$5.2 trillion, the world's green economy is growing faster than the economy as a whole, with a profound shift in focus toward emerging green technologies and skills in the areas of alternative and renewable energy, energy efficiency, and green building.

Gross Domestic Product – The six key sectors of BC's green economy contributed roughly \$15.3 billion to provincial gross domestic product (GDP) in 2008—\$11.1 billion of direct and \$4.2 billion of indirect—and accounted for approximately 10.2 per cent of the province's total GDP for that year. Combined, the province's Clean and Alternative Energy and Energy Management and Efficiency sectors were responsible for \$6.1 billion in direct GDP in 2008 — equal to more than half of the total direct green GDP in the province.

Employment – BC's green economy was responsible for approximately nearly 166,000 direct and indirect full-time equivalent (FTE) jobs in 2008—equal to 7.2 per cent of total provincial employment. The largest number of green jobs can be found in the areas that include wholesale trade for green products, professional environment-related services and research, administrative and support services, green construction, and public transit and ground passenger transportation.

Regional Contributions – The economic and employment impacts of the green economy are distributed widely throughout all of BC's Development Regions. The main beneficiaries are the Mainland/Southwest, Vancouver Island/Coast, and Thompson-Okanagan regions, which together account for nearly 90 per cent of the province's green GDP generated from the six key sectors. However, large growth potential exists in other regions as communities and businesses adopt renewable energy, bioenergy, and green practices leading to the creation of green jobs and new wealth.

Green Resource Opportunities – BC's abundant natural resources will continue to form the core of the province's competitive advantage in the new green economy for some time. Low-carbon natural resources such as hydro, wind, and wave energy, biomass, as well as vast reserves of natural gas, will be the fuel that drives the province's low-carbon energy future.

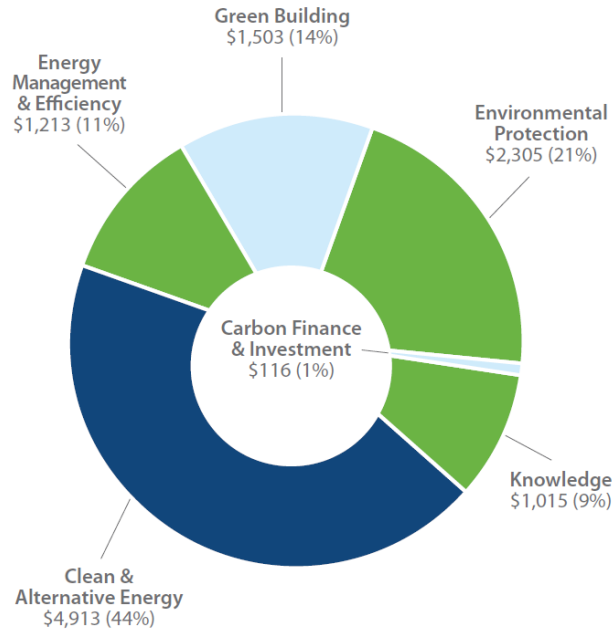
Green Economic Sectors – While BC has strengths in many areas of the green economy, the Clean & Alternative Energy, the Energy Management & Efficiency, the Green Building, and the Environmental Protection sectors show the greatest potential for future GDP and job generation.

Growth Potential – A range of growth scenarios for the green economy suggest that GDP from BC's green sectors could grow from \$15.3 billion in 2008 to between \$20.1 billion and \$27.4 billion in 2020. This would represent from between 10.8 per cent and 14.1 per cent of total provincial GDP, assuming that total GDP grows at its projected average rate of 2.2 per cent to 2020. In terms of green jobs in BC, a shortage of labour market supply poses the greatest threat to potential growth. With an average annual green labour force growth rate of 2.6 per cent, direct and indirect FTE jobs in BC's green economy would grow from 166,000 in 2008 to 225,000 by 2020.

FIGURE HIGHLIGHTS

Direct GDP contributions by sector to BC's green economy in 2008 (\$ millions)

Source: GLOBE Foundation



Direct full-time equivalent jobs in BC's green economy by sector

Source: GLOBE Foundation

