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# AN INNOVATIVE AND CLEAN ECONOMY



## SMART, TARGETED INVESTMENTS IN SCIENCE, RESEARCH, INNOVATION AND THE ENVIRONMENT

### A More Innovative Country

New ideas drive economic growth. That's why Budget 2016 defines a new vision for Canada's economy as a centre of global innovation.

Investments in Budget 2016 will start Canada on the right path, through support for leading-edge research and for innovative and job-creating businesses. Together, these actions are the foundation for a more inclusive society that creates good jobs and a better quality of life for the middle class and those working hard to join it.

*"To encourage economic growth, the Government will make strategic investments in clean technology, provide more support for companies seeking to export those technologies, and lead by example in their use."*

*— Speech from the Throne, December 4, 2015*

### A Clean Growth Economy

Protecting the environment and growing the economy go hand in hand. Countries around the world are looking for new ways to expand and green their economies and create opportunities for people.

Clean technologies are key to the Government's approach to promoting sustainable economic growth and will play a critical role in Canada's transformation into a low-carbon economy. The global clean technology market presents a promising opportunity for Canadian businesses, a source of new clean jobs for the middle class and a driver of prosperity for us all.

The Government is also providing leadership as Canada works towards reducing greenhouse gas emissions and improving air quality. Canada is developing a pan-Canadian Framework on Clean Growth and Climate Change that will meet or exceed Canada's international greenhouse gas emissions targets. The success of the pan-Canadian Framework depends on a collaborative approach between provincial, territorial and federal governments.

Budget 2016 takes a significant step towards reducing greenhouse gas emissions and improving air quality by providing almost \$2.9 billion over five years to address climate change and air pollution issues.

# AN INNOVATIVE AND CLEAN ECONOMY

- \$2 billion over three years, starting in 2016–17, for a new Post-Secondary Institutions Strategic Investment Fund, a time-limited initiative that will support up to 50 per cent of the eligible costs of infrastructure projects at post-secondary institutions and affiliated research and commercialization organizations, in collaboration with provinces and territories.
- \$2 billion over two years, starting in 2017–18, to establish the Low Carbon Economy Fund.
- More than \$1 billion over four years to support future clean technology investments, including in the forestry, fisheries, mining, energy and agriculture sectors. In addition, over \$130 million over five years to support clean technology research, development and demonstration activities.
- \$345.3 million over five years to Environment and Climate Change Canada, Health Canada and the National Research Council to take action to address air pollution in Canada.
- \$142.3 million over five years to add new national parks and improve Canadians' access during the 150<sup>th</sup> anniversary of Confederation and beyond, and enhance programming.

## A MORE INNOVATIVE COUNTRY

### ENHANCING CANADA'S KNOWLEDGE ADVANTAGE

*Budget 2016 will provide up to \$2 billion over three years for a new Post-Secondary Institutions Strategic Investment Fund that will support up to 50 per cent of the eligible costs of on-campus infrastructure projects, in collaboration with provinces and territories.*

### STRENGTHENING CANADA'S WORLD- CLASS RESEARCH

*Budget 2016 will provide an additional \$95 million per year on an ongoing basis to the granting councils—the highest amount of new annual funding for discovery research in more than a decade.*

### ADVANCING CANADIAN LEADERSHIP IN GENOMICS

*To continue to support leading genomics researchers and promising scientific breakthroughs, Budget 2016 will provide \$237.2 million to support Genome Canada to the end of 2019–20.*

### SUPPORTING CANADA'S CONTINUED LEADERSHIP IN SPACE

*To secure Canada's place in the International Space Station, Budget 2016 will provide up to \$379 million over eight years for the Canadian Space Agency to extend Canada's participation to 2024.*

### STRENGTHENING INNOVATION NETWORKS AND CLUSTERS

*Budget 2016 will make available up to \$800 million over four years, starting in 2017–18, to support innovation networks and clusters. This support will fuel growth by catalyzing private sector dynamism and contribute to better connecting innovators to achieve greater impacts for public investments in innovation. More details will be provided in the coming months as part of the Government's upcoming Innovation Agenda.*

# AN INNOVATIVE AND CLEAN ECONOMY

## A CLEAN GROWTH ECONOMY

### A PAN-CANADIAN FRAMEWORK ON CLEAN GROWTH AND CLIMATE CHANGE

Budget 2016 will provide \$2 billion over two years, starting in 2017-18, to establish the Low Carbon Economy Fund. The Fund will support provincial and territorial actions that materially reduce greenhouse gas emissions and are incremental to current plans.

### ACCELERATING CLEAN TECHNOLOGY DEVELOPMENT

Investing in the research, development and demonstration of new clean technologies brings them closer to reality. This will help meet climate change objectives, make Canadian companies more competitive and create clean jobs. Budget 2016 will provide over \$130 million over five years, starting in 2016-17, to support clean technology research and development.

### ENERGY EFFICIENCY AND RENEWABLE ENERGY DEVELOPMENT

Energy efficiency and clean energy policies increase the uptake of clean technologies, reduce the environmental impact of energy use and can save Canadians money. These measures are essential for the transition to a low-carbon economy. Budget 2016 will provide \$128.8 million over five years to Natural Resources Canada to deliver energy efficiency policies and programs.

### ADAPTING TO CLIMATE CHANGE

Canada needs to adapt to a changing climate and strengthen the resilience of communities to the impacts of climate change. Budget 2016 will provide \$129.5 million over five years to seven federal departments and agencies to build the science base to inform decision-making, protect the health and well-being of Canadians, build resilience in the North and Indigenous communities, and make key economic sectors more competitive.

### FREE ACCESS AND EXPANDING CANADA'S NATIONAL PARKS

The Government is committed to expanding national parks and national marine conservation areas, and to ensuring that more Canadians experience our parks and historic sites. Budget 2016 will provide up to \$142.3 million over five years to support these initiatives.

### OCEAN AND FRESHWATER RESEARCH

Oceans and waterways are vital to Canada's economy. They connect us to the world and are a way of life for coastal and Indigenous communities. Budget 2016 will provide up to \$197.1 million over five years to Fisheries and Oceans Canada to increase ocean and freshwater science monitoring and research activities and to provide support for the Experimental Lakes Area in Northwestern Ontario.

*"We can fight climate change without sacrificing growth and prosperity. In fact, our global push toward a low-carbon economy will produce new companies, new growth, and new prosperity."*

*— Prime Minister Justin Trudeau,*

*World Economic Forum Signature Session in Davos-Klosters, Switzerland, January 20, 2016*