

Environmental protection expenditures by businesses, 2021

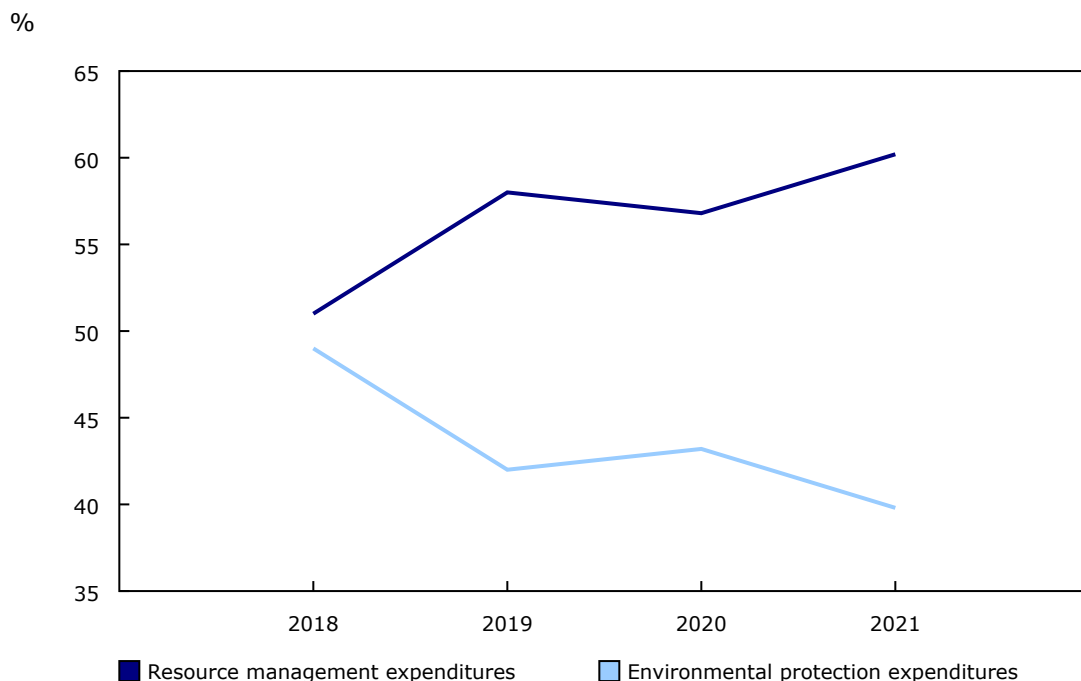
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Canadian businesses spent \$26.6 billion to protect the environment in 2021, an increase of 16.3% from 2020. Businesses allocated three-fifths (60.2%) of these expenditures to resource management activities, while the remaining expenditures (39.8%) were devoted to environmental protection activities. In four years, the share of resource management expenditures increased from 51.0% in 2018 to 60.2% in 2021.

Two broad categories of activities are recognized under environmental protection expenditures: environmental protection activities, which consist of the prevention, reduction or elimination of pollution (e.g., wastewater treatment, air pollution management or protection of biodiversity) and resource management activities, which reduce the intensity of natural resource use and environmental impacts (e.g., the purchase of equipment that reduces heat loss, the production of electric power from nuclear or renewable sources, or the purchase of biofuels, biochemicals or biomaterials).

Additional information and statistics on the environment can be found in the [Environment Statistics](#) portal and in the [Spending by Canadian businesses on environmental protection](#) visualization tool.

Chart 1
Percentage of Canadian businesses' expenditures in resource management and environmental protection, 2018 to 2021



Source(s): Tables 38-10-0130-01, 38-10-0131-01, 38-10-0145-01 and 38-10-0146-01.



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Electric power generation, transmission and distribution reports top expenditures for resource management expenditures, while oil and gas extraction reports highest expenditures for environmental protection

The electric power generation, transmission, and distribution industry group was responsible for 69.1% (\$11.1 billion) of all resource management expenditures in 2021, and almost three-quarters (73.1%) of it was spent on the production of nuclear energy.

The oil and gas extraction industry accounted for the largest expenditures (30.1% of the total or \$3.2 billion) in environmental protection. This industry allocated the largest proportion of its expenditures to wastewater activity (40.9%).

Ontario has the highest investment in resource management expenditures, while Alberta reports the highest environmental protection expenditures

Businesses operating in Ontario (55.6%) accounted for the majority of nationwide resource management expenditures in 2021, followed by businesses in Quebec (14.7%). Businesses operating in Ontario allocated 87.9% of expenditures to the production of energy from nuclear power, while those operating in Quebec directed nearly two-thirds (63.5%) of expenditures to the production of energy from various renewable sources (primarily hydroelectricity).

Businesses in Alberta (32.3%) had the largest share of environmental protection expenditures, followed by Ontario (27.5%). Wastewater management activity (39.0%) accounted for the largest proportion of environmental protection expenditures among Alberta businesses, and for Ontario businesses, it was air pollution management activity (40.1%).

Businesses in the mining and quarrying, and oil and gas extraction industries report regulations as the most common driver to environmental protection expenditures and return on investment as the main obstacle

Certain drivers and obstacles can facilitate or prevent businesses from adopting new or improved technologies, systems and equipment to protect the environment.

In 2021, regulations were the most common driver reported by businesses operating in the mining and quarrying industry (53.1%) and in the oil and gas extraction industry (51.1%). For each, the main obstacle encountered was the insufficient return on investment (42.0% and 50.8% respectively).

Businesses operating in these two industries were also the most likely to perform a greenhouse gas emissions inventory—81.5% of businesses in the mining and quarrying industry and 76.3% of those in oil and gas extraction followed this environmental practice in 2021.

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Note to readers

This release presents data from the 2021 Environmental Protection Expenditures Survey. This annual survey is conducted with around 6,000 establishments in selected primary industries and in the manufacturing sector.

At the time of this release, 2020 estimates have been revised.

Definitions

Environmental protection expenditures: All operating expenses and capital and repair expenditures whose primary purpose is the prevention, reduction or elimination of pollution and/or other forms of degradation of the environment as well as measures taken to restore the environment from a degraded state. This includes expenditures that a business incurred for pollution prevention, abatement and control; solid waste management; wastewater management; protection and remediation of soil, groundwater and surface water; protection and restoration of biodiversity and habitat; clean vehicles and transportation technologies; environmental monitoring; environmental assessments and audits; relevant training and administrative costs, etc.

Resource management expenditures: All operating expenses and capital and repair expenditures whose purpose relates to the effective management of resources. In this survey, resource management includes heat or energy savings and management, the purchase of biofuels, biochemical products or biomaterials, as well as expenditures for the production of energy from nuclear or renewable sources.

For more information on the variables and definitions used, see the page [Annual Environmental Protection Expenditure](#).

Available tables: [38-10-0130-01](#) to [38-10-0137-01](#) and [38-10-0145-01](#) to [38-10-0147-01](#) .

Definitions, data sources and methods: survey number [1903](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).