



## ***Green Budget Coalition's***

**Submission to**

**House of Commons Standing Committee on Finance**

***Pre-Budget Consultations in Advance of the 2024 Federal Budget***

**August 4, 2023**



The **Green Budget Coalition’s five feature recommendations** for Budget 2024 are:

- 1) **Financing nature protection and recovery in Canada** - Deliver on Canada’s commitment to halt and reverse biodiversity loss by implementing the Kunming-Montreal Global Biodiversity Framework (**\$19.3 billion over seven years to 2030-31, and then \$1.8 billion per year, ongoing**);
- 2) **Renovation wave for climate resilient homes and affordable home energy** - Expand and coordinate existing investments and programs to centrally deliver home upgrades to ensure impactful investments that integrate health, affordability, and adaptation targets, and accommodate the unique needs of Indigenous, northern and remote communities (**\$25 billion over five years**);
- 3) **Advancing a zero-emissions electricity grid based on renewables** - Essential steps towards the major transformational investments required in the transmission, generation, and demand side of electricity, including remote Indigenous communities (**\$26 billion over five years**);
- 4) **Sustainable jobs for a net-zero Canada** - Scale up investment in transition planning, job creation, and worker supports to ensure workers and communities have a smooth transition to a low-carbon economy (**\$12.2 billion over five years**); and
- 5) **Advancing sustainable agriculture** - Key recommendations to help producers and Canada be a leader in sustainable and innovative agriculture with a resilient and diversified food system (**\$4.5 billion over five years, then \$134 million per year, ongoing**).

Much more detail on these recommendations (beyond that in the following pages), as well as many complementary recommendations (*listed on pages 7-8*), is available in the Green Budget Coalition’s [Preliminary Recommendations for Budget 2024](#).<sup>1</sup> We expect the Green Budget Coalition’s revised, final *Recommendations for Budget 2024* to be available in September 2023 at [www.greenbudget.ca](http://www.greenbudget.ca).

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<https://greenbudget.ca/wp-content/uploads/sites/5/2023/06/Green-Budget-Coalitions-Preliminary-Recommendations-for-Budget-2024-June-8-2023.pdf>

***It is now critical to focus more attention on addressing the related climate and biodiversity crises, and shaping a world that is equitable, carbon-neutral and nature-positive, for current and future generations of Canadians and people worldwide.***

## **Details on Feature Recommendations**

### **1) Financing nature protection and recovery in Canada**

#### **Recommended Investment:**

**\$19.3 billion to 2030-31, and then \$1.8 billion per year, ongoing**, to deliver on Canada's commitment to halt and reverse biodiversity loss, by implementing the Kunming-Montreal Global Biodiversity Framework. [ECCC, NRCan, DFO, PC, AAFC + TC, PS, CFIA, HC, PHAC, PMRA, GAC, StatCan]

In December 2022, Canada hosted the 15th Conference of the Parties (COP15) to the United Nations Convention on Biological Diversity (CBD) in Montreal. COP15 landed a historic global agreement to protect nature – the Kunming-Montreal Global Biodiversity Framework (KMGBF). During the conference, Canada committed to working with rights holders, provincial and territorial governments and stakeholders to develop a whole-of-government national biodiversity strategy and accountability act towards Canada's biodiversity targets, including protecting at least 30% of land and ocean by 2030. To meet the ambitions of the KMGBF, more and longer term financial resources from all sources are needed to deliver nature-positive outcomes.

To deliver on nature protection and recovery commitments, the federal government must:

- Invest in permanent financing arrangements to support Indigenous-led and co-led conservation initiatives to protect, restore and steward land and ocean ecosystems, and to support Crown government, civil society and others to be good partners in this work;
- Increase investment to place nature on a comparable footing with climate change, sending a clear signal that the climate and biodiversity crises are interdependent, pose significant risk to society, and must be addressed in tandem; and
- Identify and re-direct subsidies that harm nature, and realign existing federal funding programs (e.g., infrastructure) to support nature and climate-positive actions

The Green Budget Coalition's full recommendation documents (*see links at bottom of page 2*) detail recommended measures across a wide range of nature and biodiversity issues, including Indigenous-led conservation, protected areas, biodiversity areas, land use, restoration, seed supply, freshwater, ocean, fisheries, blue carbon, ecological connectivity, species at risk, birds, invasive species, international biodiversity assistance, and data, including geospatial inventories.

## 2) Renovation wave for climate resilient homes and affordable home energy

**Recommended Investment** (in partnership with the provinces):

**\$24.7 billion over five years** to power a Canadian renovation wave that addresses energy poverty, building resiliency, and the needs of Indigenous and northern communities, including:

1. **\$20 billion** to provide no-cost home retrofits and heating electrification for households experiencing energy poverty, with assurances to include and protect renters. These would prioritize rental buildings, non-market, and social housing and include climate adaptation measures [NRCan, CMHC, HC];
2. **\$7.5 million** for development of a National Affordable Home Energy Strategy with clear actions and outcomes to address energy affordability in Canada, developed with a focus on energy justice and coordinated with the National Adaptation Strategy and Canadian Green Building Strategy [NRCan];
3. **\$2.7 billion** for retrofits and energy efficiency upgrades for housing projects in Indigenous communities, as identified by Indigenous Clean Energy [ISC, CMHC, CIB];
4. **\$1.5 billion** for skill development, capacity building and recruitment, with funds earmarked to increase equity and diversity in the retrofit economy. [NRCan, ISED, HC];
5. **\$125 million** of last-mile capital investment in 15-20 transformative deep retrofit demonstration projects identified by deep retrofit accelerator and market development teams [NRCan]; and
6. Capitalizing a loan guarantee program to reduce the risk to private financing of building retrofits. [CMHC, CIB, NRCan].

## 3) Advancing a zero-emissions electricity grid based on renewables

**Recommended Investment: \$26 billion over five years** to support grid upgrades and enhance collaboration and clean electricity governance, planning and deployment.

### 1. Grid upgrades

- **\$20 billion** to top up Investment Tax Credits for transmission to 50% strategic interregional transmission projects to support clean electricity infrastructure deployment [NRCan];
- **\$4.8 billion** for investment in clean electricity projects and programs targeted to benefit Indigenous, low-income, and vulnerable communities [NRCan];
- **Up to an additional \$800 million** to programs aimed at building Indigenous leadership and partnerships for clean energy deployment in remote Indigenous communities [Lead: NRCan, involved: CIRNAC, ISC, INFC]; and
- **\$15 million** to enable specific Smart Renewables and Electrification Pathways program and Canada Infrastructure Bank program streams for projects in equity-deserving communities [NRCan, CIB].

## 2. Collaboration, and best practices in clean electricity governance, market design, planning and deployment

- **\$200 million of additional funding** be made available to provinces who commit to making systematic improvements to their full electricity system to support transition [NRCan];
- **\$150 million** to enhance strategic regional cooperation and research and planning capacity to support projects and analyses of interregional transmission to ensure reliability, efficiency and affordability for the grid of the future [NRCan];
- **\$5 million** to fund a consultative process with provinces, territories, municipalities, utilities, industry, NGOs, and other regional partners focused on least-cost pathways toward 100% clean electricity by 2035 [NRCan].

## 4) Sustainable jobs for a net-zero Canada

### Recommended Investment: **\$12.2 billion over five years**

1. **\$30 million** for data collection, analysis and modeling to inform sustainable jobs planning [NRCan, ESDC, StatCan, CCEI];
2. **\$5 billion** to support Indigenous participation in sustainable jobs governance and self-determined planning [NRCan];
3. **Workforce development, training, and upskilling**
  - **\$150 million tuition credit program** to support youth entering sustainable careers, prioritizing members of under-represented and equity-deserving groups. [ESDC];
  - **\$250 million** to support workers navigating pathways to sustainable jobs, including through retraining and upskilling [NRCan, RDAs];
4. **Support regional planning and job-creating projects**
  - Provide an initial investment of **\$6.5 billion** to establish a new, regional coordination and funding delivery program to invest in jobs-generating regional planning and major capital projects in transitioning regions [NRCan; RDAs]; and
  - **\$270 million** to diversify the economies of 'transition-affected' communities and provide capacity support to implement new projects [NRCan, RDAs].

## 5) Advancing sustainable agriculture

**Recommended Investment: \$4.5 billion over five years, then \$134 million per year, ongoing**

- 1. \$25 million over three years, with option for renewal, to develop and implement a comprehensive National Land Use Strategy [AAFC, NRCan, ECCC];**
- 2. Agricultural habitat incentive programs**
  - **\$500 million over five years** to reinstate funding for a National Perennial Forage Conversion Program aimed at field-scale conversion [AAFC];
  - **\$500 million over five years** to maximize economic and environmental return of marginal land using precision/smart agriculture technology and implementing strategic and financial incentives [AAFC];
  - **\$1 billion over five years** to provide financial incentives to producers for the avoided conversion of native and tame grasslands, wetlands, and forested areas [AAFC];
  - **\$200 million over five years, then \$25 million per year, ongoing** to develop and implement fund to support access to agricultural lands for the farming community [AAFC, CRA];
  - Develop and implement agri-gift program in collaboration with all levels of government to facilitate agricultural lands' protection;
- 3. Improve environmental, climate, and socio-economic data collection and dissemination**
  - **\$50 million over three years, then \$2 million per year, ongoing** for data and carbon accounting [AAFC, ECCC, StatCan];
  - **\$100 million over five years, followed by \$20 million per year, ongoing** to increase investments in research that quantifies the economic, environmental, and social benefits of agricultural practices [AAFC, SSHRC, NSERC];
  - **\$25 million over three years** to facilitate the development of a market-based system for valuing ecological services [AAFC];
- 4. Accelerate and augment the implementation of climate-smart and nature-positive practices, technologies, and innovations**
  - **\$500 million over five years** for tools, technical assistance, and knowledge transfer [AAFC];
  - **\$6 million over three years** to develop a Soil Health Strategy [AAFC];
  - **\$1.08 billion over five years followed by \$87 million per year, ongoing** to ensure that Business Risk Management (BRM) programs integrate climate risk management, environmental practices, and climate readiness [AAFC]; and
  - **\$550 million over five years** for a Sustainable Value Chains Initiative [AAFC, ISED].

## ***Full list of Green Budget Coalition Recommendations for Budget 2024***

As noted above, much more detail on the above recommendations, plus further complementary recommendations, is available in the Green Budget Coalition's [Preliminary Recommendations for Budget 2024](#).<sup>2</sup> We expect the Green Budget Coalition's revised, final *Recommendations for Budget 2024* to be available in September 2023 at [www.greenbudget.ca](http://www.greenbudget.ca).

The full list of recommendations currently expected in the Green Budget Coalition's final *Recommendations for Budget 2024* is the following:

### **Feature Recommendations** (*as above*)

- 1. Financing nature protection and recovery in Canada**
- 2. Renovation wave for climate resilient homes and affordable home energy**
- 3. Advancing a zero-emissions electricity grid based on renewables**
- 4. Sustainable jobs for a net-zero Canada**
- 5. Advancing sustainable agriculture**

### **Complementary Recommendations**

#### ***1) Integrating Climate & Nature Across Government Fiscal Policy, Budgeting, & Spending***

- Net-zero industrial policy
- Climate and biodiversity conditions on federal spending
- Re-orienting domestic public finance and subsidies away from fossil fuels
- Eliminating environmentally harmful subsidies

#### ***2) Financing nature protection and recovery in Canada: Protect, Restore, Manage and Mainstream***

##### *Protect*

- Terrestrial conservation
  - Indigenous-led conservation and protected areas
  - Species at risk
  - Ecological connectivity
- Endowment fund to strengthen private land conservation sector
- Canada's oceans
  - Marine protected area network planning
  - Marine spatial planning

##### *Restore*

- Decade of Restoration: our shared pathway to Target 2
  - Restoration coordinating body
  - National seed supply
  - Achieving Canada's restoration goals

##### *Manage*

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<https://greenbudget.ca/wp-content/uploads/sites/5/2023/06/Green-Budget-Coalitions-Preliminary-Recommendations-for-Budget-2024-June-8-2023.pdf>

- Managing ocean fisheries
  - Ecosystem approach to fisheries management
  - Modern fisheries catch monitoring and observer system
  - Atlantic Fisheries Fund
  - Underwater noise pollution
- Freshwater management
- Managing and reducing negative impacts to biodiversity
  - Invasive species
  - One Health approach
  - Pesticides
  - Halt and reverse bird population declines

*Mainstream & Mobilize*

- Aligning policies and investments with halting and reversing biodiversity loss
- International biodiversity assistance
- Accurate data, research, information, and knowledge
- Geospatial inventories
- Blue carbon

**3) Climate: Emissions Reductions**

- Centre for Excellence for oil and gas methane

*Transportation*

- Reducing transportation emissions through electric-assisted bikes, equity, pricing solutions
- Decarbonizing medium and heavy-duty vehicles
- Electric school buses
- Public transit
- Marine shipping
- International climate finance
- Canada's carbon pricing still needs greater certainty

**4) Climate Adaptation**

- National Adaptation Strategy
  - Scaling up core adaptation investments
  - National Adaptation Centre
  - Municipal Climate Fund

**5) Environmental Justice**

- Office of Environmental Justice
- Chemicals Management Plan
- Youth Employment Programs



## **About**



The **Green Budget Coalition**, active since 1999, brings together twenty-two of Canada's leading environmental and conservation organizations (*see logos on front cover*), collectively with over one million members and supporters, to present an analysis of the most pressing issues regarding environmental sustainability in Canada and to make recommendations to the federal government regarding strategic fiscal and budgetary opportunities.

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