

September 16, 2022

The Honourable Jonathan Wilkinson, PC, MP
Minister of Natural Resources
Department of Natural Resources Canada
580 Booth Street
Ottawa, Ontario K1A 0A6

Re: Formal submission and feedback on Canada's Green Building Strategy discussion

Minister Wilkinson,

Thank you for the opportunity to participate and submit the thoughts of our association and membership with regards to the Canada Green Building Strategy, both formally and in a consultative role in the months ahead.

This strategy should also be taken into context of a long-term infrastructure investment strategy – something the government took positive steps toward in the form of a National Infrastructure Assessment. Aligning Canada's infrastructure needs with those of the provinces, municipalities and indigenous communities will ensure best value for Canadians, strengthen the economy, develop the necessary workforce, improve our global trade capacity, and raise our quality of life.

As you know, the Canadian Construction Association (CCA) is the national voice for the construction industry in Canada, representing over 20,000 member firms in an integrated structure of 63 local and provincial construction associations. Construction employs over 1.5 million people in Canada and generates roughly \$148 billion to the economy annually, accounting for 7.5 per cent of Canada's gross domestic product (GDP). It is truly the backbone of the Canadian economy.

With a high demand for new construction and an urgent need to repair our aging core infrastructure likes roads and bridges, we have perhaps a once in a generation opportunity to make a quantum leap in building green. Warmer temperatures and extreme weather events like flooding, ice storms, tornadoes and wildfires have the world racing to slow climate change. Over 120 countries, including Canada, are setting targets to limit emissions and decarbonize economies. With buildings representing almost 40 per cent of global greenhouse gas emissions, not to mention the environmental impact of heavy industry, the Canadian construction sector can make a real impact on annual carbon dioxide emissions.

This is something our industry and association have given considerable thought, leadership, and action to over the past couple years. In 2021, our association published *Strength, resilience, sustainability: Canada's construction sector recommendations on adapting to climate change*, which outlined how we best believe the industry can achieve the goals of net-zero and create resilient lasting infrastructure in the face of climate change while also calling for national partnerships and vision on the issue.

As noted in Natural Resources Canada’s discussion paper, the scope and scale of green building technology adoption will require mobilization of both private and public sectors and at all levels of government. With regards to the specific outlined themes within the discussion paper, we posit the following thoughts and recommendations:

THEME 1 – LEADING BY EXAMPLE BY DEVELOPING A BUY CLEAN STRATEGY

The discussion paper outlines the government’s intention to introduce a Buy Clean Strategy that would support and prioritize the use of made-in-Canada, low-carbon products. Governments across Canada should embrace sustainable procurement as an opportunity to support the industry and firms of all sizes.

Net-zero targets and practices must be aligned between owners, manufacturers and suppliers, and contractors to enable change in the industry. Engaging with contractors earlier and moving away from the lowest bid procurement model will encourage the use of new processes, better practices, alternative energy, and more sustainable materials. We also need reliable climate data, updated standards, and codes which the industry and suppliers can work toward.

THEME 2 - MANDATING CHANGE

CCA welcomes the proposal for the federal government to work with stakeholders to support the development and publication of code provisions for the 2025 code cycle. In particular, CCA supports changes that address energy efficiency when making alterations to existing buildings and a greater focus on operational carbon emissions. We support expanding the code to consider life-cycle emissions by 2030. CCA also welcomes the recognition of greater collaboration in harmonizing codes across jurisdictions, as was called for in our 2021 report referenced above.

CCA also supports the Modernization of the Energy Efficiency Act so long as the tools are in place to ensure its effective enforcement and that it doesn’t place SMEs at a disadvantage for timely adaptation.

THEME 3 - ENABLING INVESTMENT DECISIONS

Our firms and members of all sizes are willing to play their part in the facilitation of the implementation goals outlined above, but the federal government has a clear role as well in helping to overcome sectoral barriers for investing in cleaner materials and new technology.

Projects that include innovative materials and concepts, despite costing more up front (an additional 10 per cent as referenced in *Strength, resilience, sustainability*), should be given priority during procurement. Programs are also needed to financially incentivize businesses of all sizes, particularly SMEs, to access and embrace emerging and sustainable technologies, materials, and processes. Having a

federal government list of certified green products and materials will give confidence to the sector – to both invest in developing these new products and materials, and to use them in buildings and civil projects like roads and bridges.

Moreover, whether a project is being tendered to address a specific climate-related concern or an unrelated infrastructure need, the project scoping must deliberately make room for resiliency considerations. In a competitive landscape, it is unrealistic to think that construction companies will add costs to their bids to account for long-term resilience if the client, whether within the public or private sectors, does not explicitly consider it a requirement of the bid.

THEME 4 - GROWING CANADA'S ADVANTAGE IN BUILDING PRACTICES, TECHNOLOGY AND BUILDING MATERIALS

Launching a Low-Carbon Building Materials Innovation Hub as mentioned in the discussion paper is a decision that CCA supports and applauds. However, major innovations are still required to achieve net-zero emissions across Canada's building stock by 2050. We believe Canada also needs policies and approaches that support better data, technologies, tools, and standards. This is a joint responsibility of government and industry.

Notably, we must improve data accessibility including climate modeling and the tracking of human population migration patterns which can now be prohibitively expensive — the Climate Data Canada portal, launched by the Government of Canada in June 2019, is an excellent example and deserves more visibility within the construction sector, which CCA is prepared to help facilitate. We also believe the national life-cycle inventory database proposed in the discussion paper would go a long way in achieving these goals. Given the need for swift adaptation, CCA hopes that the government attempts to integrate these as best as possible and avoid duplications or delay.

THEME 5 - TRAINING AND INCENTIVIZING THE FUTURE WORKFORCE

Labour remains a critical piece in ensuring that these objectives can be achieved, and we welcome its inclusion in the discussion paper. Federal and provincial governments should, as outlined, support workforce training programs geared towards low-carbon construction, architecture, urban design, and engineering – recognizing that the retrofit economy requires many different skillsets. Being successful in doing so requires tackling a larger problem the industry faces. As noted above, the construction industry employs some 1.5 million people. Between retirements and demographic shifts, the construction industry will be left with hundreds of thousands of jobs to fill by 2028. Construction provides well-paying and rewarding jobs, and we must position the industry as a career of choice in order to attract candidates from both underrepresented demographic segments and from STEM fields, to address shortages and drive innovation.

The government's recent initiative to promote the skilled trades as a strong first-choice career path for youth and young adults is a welcome first step, but more needs to be done since skilled trades are only one facet of the problem. Further recruitment and partnership between governments at all levels and organizations like CCA (through our Talent Fits Here initiative) is required to ensure we have the numbers necessary to keep the sector strong and achieve the goals outlined within the strategy to the benefit of all Canadians. Changes to Canada's immigration system are urgently needed to facilitate the entry of skilled, unskilled immigrants, and temporary foreign workers to address current and long-term shortages.

Conclusion

CCA appreciates Natural Resources Canada for initiating Canada's Green Building Strategy and driving forward the discussion on this critical issue. We look forward to continuing to work with Natural Resources Canada in the months ahead as the next stage of this consultation develops. CCA and its members are committed to the work ahead and stand ready to play a constructive and collaborative role.

Thank you for your time and attention on this critical matter.

Best regards,



Mary Van Buren
President, Canadian Construction Association

CC: John F.G. Hannaford, Deputy Minister, Natural Resources Canada