

BEIC's thoughts on the 2019 Federal Budget

On March 19th, Bill Morneau, Canada's Minister of Finance, unveiled the [Federal Government's 2019 budget](#). The new budget provides funding that will further improve energy efficiency in buildings and thereby reduce their overall energy consumption and GHG emissions.

This biggest announcement was \$1.1 billion of new funding to go towards building retrofits and more efficient new buildings. The money will be administered through the [Green Municipal Fund](#), a program of the [Federation of Canadian Municipalities](#). The new funds will serve to provide favourable financing to municipalities and their partners. Residential and commercial buildings that will benefit from this new investment will be more comfortable, consume less energy, produce less pollution, and lower energy bills for owners and renters.

Budget 2019 will improve access to timely, comparable, and independent energy data by allocating \$15.2 million over five years for Statistics Canada to establish a virtual Canadian Centre for Energy Information. This will prove useful considering Canada has a diverse energy mix and currently, responsibility for energy data collection is fragmented and spread across multiple sources. The new Centre will compile and consolidate energy data from several sources into a single, easy-to-use website which will support better decision-making.

With Canada's target to sell 100% zero-emission vehicles (ZEVs) by 2040 (interim goals of 10% by 2025 and 30% by 2030), the Federal government is providing new funds to accelerate the uptake of zero emissions vehicles. \$130 million over five years will be allocated to expand the network of recharging and refuelling stations in workplaces, public parking spots, and commercial and multi-unit residential buildings. The government will also invest \$300 million over three years to offer purchase incentives of up to \$5,000 for electric or hydrogen fuel cell vehicles that sell for less than \$45,000.

The Federal Government reiterated their support for the phasing-out of coal-fired electricity in Canada by 2030. Coal generated approximately 9% of electricity in Canada in 2016 but was responsible for 72% of greenhouse gas emissions in the electricity sector. The coal phase-out will ensure electricity consumed by buildings generated from renewable energies or less GHG intensive fossil fuels. This is particularly important with the forecasted growth of electric vehicles which will increase electricity demand.

Overall, the BEIC welcomes the new investments made in the 2019 Federal budget to make buildings more energy efficient and less reliant on fossil fuels. While these are steps in the right direction, the investment amounts need to be much higher to significantly reduce Canada's GHG emissions. The aim is to use those public funds to attract the bigger pool of private capital to improve Canada's buildings. Addressing building energy consumption, and by default GHG emissions from buildings, will not be a cheap affair but the cost of not doing so will far outweigh the necessity of today's investments for generations to come.